

The Acting Speaker (Mr. Blaker): Order, please. I regret to interrupt the hon. gentleman, but his allotted time has expired.

Mr. Thomas Siddon (Richmond-South Delta): If there is anything my hon. friend, the hon. member for Carleton-Charlotte (Mr. McCain) did not cover in his speech, perhaps I can pick it up for him.

We are talking about the extremely unhealthy state of our economy and how that relates to the basic philosophy on which Bill C-48 is predicated and, in particular, the confiscatory aspect of that bill as reflected in Clause 27. We are debating in particular Motions Nos. 21 and 22 which would amend Clause 27 in two entirely different ways.

In a moment I will give my interpretation of the very negative impact that Clause 27 will have on Canada and on our economy over all. Before doing that, however, I want to quote from a speech that the Prime Minister of Canada (Mr. Trudeau) made last night in Toronto which underscores the gravity and seriousness of the economic problems that face our nation. The Prime Minister said this:

If the September interest rate is indicative of a new trend, it would be a cause of grave concern.

He noted that "high interest rates are symptoms of inflation but that trying to cure these symptoms by higher government deficits will only make the disease worse". He went on to say:

All sectors of the economy must show restraints in their demands, and that includes restraint by government spending.

The Prime Minister went on to state:

I am asking the nation itself to come to its senses.

We are too, I might interject.

—and to act collectively to fight the enemy which is wounding us all—

I think we all know who that enemy is. The Prime Minister essentially called for collective support for collective restraint.

● (2100)

How does Bill C-48, and in particular Clause 27, advance the cause of restraint, improve the health of our economy, bring down interest rates, increase investment and expand opportunities for our young people? The initiatives reflected in Clause 27 take this country further toward economic ruin. The Prime Minister has pinpointed the problem but he has also shown that he is the main part of the problem and that as long as he and the policies of this government prevail, this country will continue to have a rough ride.

As has been pointed out by many of my colleagues, this party is not opposed to the notion that Canadians should control their own destiny. We can start from the basic premise that we do own our own natural resources. Whether they are owned by the federal or provincial government in law is not in dispute; the point is that we own the resources and we have control over what we would do with them. It does not at all enhance the ability of the government to control those resources, to undertake a 25 per cent Crown interest in every bit of drilling, exploration and oil and gas production in the Canada lands that might be contemplated.

Canada Oil and Gas Act

Mr. Huntington: Only the winners.

Mr. Siddon: The hon. member for Capilano (Mr. Huntington) says, "Only the winners". If we examine the structure of the bill, we may be able to anticipate that certain friends of people in high places could well end up the winners, to the disadvantage of the average Canadian.

We are discussing the necessity of having the government operate with a 25 per cent share in all oil and gas exploration initiatives and subsequent production. There is an interesting aspect to Bill C-48, Mr. Speaker. If one reads Clause 32(1) it will be seen that if the government does not choose to assign a production interest to a Crown corporation, be it Petro-Canada or some other, once the discovery has been made the government can, at its discretion, liquidate that 25 per cent interest and dispose of it in any way it sees fit through some form of public tendering. We might begin to wonder into whose hands the 25 per cent interest will fall. What will we protect with this 25 per cent interest if, after the resources are discovered, they go to the highest bidder? That might well not be a Canadian-owned company, Mr. Speaker.

The government is perpetrating a charade on the people of Canada by suggesting that somehow they will have a bigger share in deciding the destiny of their own resources through having a 25 per cent operating share in the exploration and production of those resources.

We have to ask if it is not enough for the government to be able to collect royalties, including the basic royalty of 10 per cent provided through this act, plus the progressive incremental royalty, which would add another 40 per cent tax on any net return to the interest operator of that venture, plus various other production taxes and, ultimately, profit and income taxes assessed against these corporations. What in God's green earth is the government doing by also taking a 25 per cent interest?

It is repugnant enough to us that the government would expropriate a 25 per cent Crown share in oil and gas discovered at least since the end of December 1980. In fact, in the original bill it was going to expropriate all the private interest that was necessary to get its hands on that 25 per cent.

In Clause 27 of the bill, there is provision that the government may acquire more than a 25 per cent interest. In fact, it can acquire any amount that is required to bring Canadian ownership up to 50 per cent. One has to ask why the government insists upon having the right to take a total 50 per cent equity in its own name, if it wishes. As well, on any amount over the first 25 per cent, the government refuses to put in any of the costs of exploration. If the company that owns that next 25 per cent should happen to be foreign owned, the government will just take that portion. It will not pay any compensation after January 1, 1981, for the equity and risk that was taken, not a nickel, Mr. Speaker, and that amounts to outright theft. I for one am getting darned tired of hearing the Prime Minister talk about the Liberal concept of sharing which, to my way of thinking, amounts to legalized theft.

I should like to discuss what is happening in our country, today, Mr. Speaker. We have investment capital flooding out