

*Canada Oil and Gas Act*

That did not occur. The Minister of Finance (Mr. MacEachen) does not go to the officials of Petro-Canada on behalf of the main shareholder and ask what is being done for the citizens of Canada. Why would he do that? His reputation is at stake. He has to make the corporation go. After the Liberals came back into power, they put in more money. Another \$440 million was put into Petro-Canada, all money to be paid for by the taxpayers of Canada, and all of it had to be borrowed.

The last takeover was Petrofina, another successful public company paying dividends to its Canadian shareholders and foreign shareholders. It is interesting to note that during the forties when the west was trying to develop its oil industry, it went to Bay Street in Toronto to borrow money to develop. Was money made available by Canadians then? Not one cent. They would not give money to develop the oil industry at any rate of return. They would not take any equity. The people of The Netherlands did through Shell; the people of Great Britain did through BP and Gulf; and the Americans did through Imperial Oil. They developed this country and let us have oil when our own citizens would not do it. Before this whole deal arose, the shares of Petrofina were trading at about \$60 each. As inevitably happens, the minute there was talk of a possible sale to the government, the price of the shares went up. The people of Canada ultimately bought those shares at \$120 per share, more than twice their worth.

It might be said that we got 1,100 used service stations. It is true we did. It is also true that we got some leases. However, did we get the heart and core of Petrofina, the future of Petrofina, its petro-chemical plant? No. That was pulled out of the deal. We paid \$120 per share for shares that six weeks before were worth only \$60, and we did not even get all the assets. They kept the petro-chemical plant and it is that plant which is the future of this country. We have many old, used service stations. They are not even on the prime corners. It is a crime.

● (1630)

How did the government finance the purchase, Mr. Speaker? There is about \$440 million authorized in the blue book, bringing to a total of \$1.5 billion the amount which we have put into Petrofina. We have also given Petro-Canada 25 per cent carried interest, which is the expropriation, the confiscation program. The government is going to confiscate 25 per cent of the successful production not only of the multinational corporations, but from our own citizens who have created their small Canadian companies, who went out and created new technology and who found oil and gas where they could. The government will now take it away from them.

To my mind the final humiliation, the final indignity, in order to make this company successful, after having given it \$1.5 billion, the preference to get leases, the right for a 25 per cent purchase and an absolute expropriation of 25 per cent, this is still not enough; we have to tax the citizens of Canada. Every time a Canadian drives up to a service station to fill the gas tank, a portion of that money goes directly to pay for the

purchase of Petrofina. All of that money is going out of the country.

Here is the ultimate kicker. We are buying an industry that really is on the tail end. It started in the 1940s, it is peaking now, and by the year 2020 it will be gone. By then we will be into solar, wind and hydrogen power.

Why are we spending our taxpayers' money to buy an industry that is at the end? What are these companies doing? What did Petrofina do with its \$1.5 billion? What did Pacific Petroleum do with its \$1.5 billion? They are getting in on the next wave of technology, which is the computer industry, the high technology industries, and solar and hydrogen energy. When the petroleum is gone, where will we get our energy? We will get our energy from the multinational corporations that are in on the next wave. It is absolute insanity.

I plead with the members opposite to use some common sense before they get into this nationalization game. Mr. Speaker, think of what \$1.5 billion would do today in the computer industry. If we are going to turn to our citizens, I would have no trouble at all in going back to my citizens in Lethbridge-Foothills and saying, "Folks, I want to borrow \$1 billion so that we can put it into high technology, so that it will do something for our children and our grandchildren." But I do have trouble going back to my constituents and saying that we are going to buy the tail end of an industry, where the money will go to a multinational corporation to invest in hydrogen technology. We will then have to buy from them in the future. It is absolutely insane.

The last point I should like to make is in reference to my hon. friend from Kamloops-Shuswap (Mr. Riis), who talked about \$12 billion being ripped off by the oil companies. His implication was that the private companies, even if owned by Canadians, would not be any better. I say to him that it would be far worse with Petro-Canada. Look at the experience of Atomic Energy of Canada Limited. Does that Crown corporation act in the best interests of Canadians? There is hard-core proof that it entered into an international conspiracy that was equally oppressive to our citizens than what the oil companies might have done.

The hon. member says taxes will increase. I suppose that is true, they might. But corporate taxes just end up flowing through to the people. If you tax my corporation, I will just increase the price of my product. That passes on to the poor citizen at the end of the whip. The long and short of it is that the individual citizen at the end of the shovel is the man who pays the full cost in the end.

**Mr. Jim Manly (Cowichan-Malahat-The Islands):** Mr. Speaker, I should like to speak in support of the amendment of my colleague, the hon. member for Vancouver-Kingsway (Mr. Waddell) to increase the level of Canadian public ownership of the oil industry to 50 per cent on new projects on Canada lands. In this and in other amendments that my party has proposed we are calling for an affirmative action program for the Canadian people in the oil industry. We want to see the Canadian people receive a guaranteed part of the action.