

Taxation

uncap them as the need arises, and the gas will flow, and then we can explore for some more. We created tremendous incentives in the mid-seventies to drill continually, but after the drilling it was said that we had to get rid of the stuff, that we had to sell it to the United States and quickly export it because we could not afford it. We spent all that money on drilling, but suddenly all the incentives were created for export purposes. This was not for the long-term future of Canadians, for the future generations who will have to keep warm and will need these fuels to survive.

Mr. Taylor: I thought you wanted self-sufficiency in oil.

Mr. McRae: It is important that we understand that under this National Energy Program we are attempting to do what should have been done years ago. It is what any self-respecting country would do. I am very critical of the governments which were in power in this country for 40 or 50 years and did not do this. However, I am very proud that I am part of a government which is now doing what should have been done years ago, that is, getting control of these resources for Canadians. It is ridiculous that the other side condemns us. It constantly condemns us because we have set up a national oil company. We bought out three companies. According to the other side, it was terrible that we should have done this. It suggested that in no way should we have done that and that we should depend exclusively upon the private sector to Canadianize itself. That will not happen that way. I was very pleased—

Mr. Stevens: Why? Why will it not happen?

Mr. McRae: When Petro-Canada bid for Husky Oil, I was very pleased. Husky Oil had some very good holdings in this country which will be very valuable in the long run, particularly involving heavy oil, when we get around to that. I was also very pleased when Petro-Canada did not get it and the bid went to Nova Corporation or Alberta Gas Trunk Lines which bought this company. It therefore became a Canadian company, allowing Petro-Canada to go out and buy Phillips a little later. It seemed to me that we got the best of all deals. We got the Canadian portion of two important American companies operating in Canada. One is in the private sector and one was obtained by Petro-Canada. That is the way Canadians are. They believe in a mixed economy, not Reaganomics. We do not believe that anything the state does is bad and anything the private sector does is good. That is not true.

● (2120)

I find it difficult when the hon. member for York-Peel (Mr. Stevens) talks about our ridding ourselves of Crown corporations and then talks about all the corporations initiated, acquired or built under good Conservative governments such as Ontario Hydro or PWA, which was taken from the private sector into the bosom of the Alberta government.

These kinds of things have been done in this country for a long time. Knowing Canadians, I am sure it will continue. It does not starve either the private or the public sector. They

work hand in hand. The party opposite tries to drive a wedge between the private and public sectors, accepting the idea that is common with Mr. Reagan and the ultra-rightwingers in the United States that anything the state does is bad. It is something that party is introducing into the House of Commons. It is a bad thing. It is not because Conservative governments since the beginning of this country have done the kinds of things we are doing.

Mr. Stevens: Not true.

Mr. McRae: I have to defend that situation.

Mr. Stevens: Tell the truth.

Mr. Kempling: You can't trust a Grit.

Mr. McRae: Canadians are becoming more self-sufficient because of this ownership. We are acquiring the means to be self-sufficient.

Mr. Stevens: You are nothing but a socialist.

Mr. McRae: It is too bad I am deaf because I would like to hear what members opposite are saying. Canadians want to be self-sufficient, and we are moving in that direction. In the past two years we decreased by about 5 per cent our reliance on foreign sources. As I say, we are moving slowly in that direction. Canada is now about 81 per cent self-sufficient in oil. That is not better than we always were, but it is better than in the recent past. If we continue to do what we are doing, the situation will continue to improve. I think of the Hibernia and the Dome project in the Beaufort as areas where we will succeed.

Most members on this side were disappointed that the tar sands project did not go ahead. We hope that in the next three or four years it will proceed, possibly in a different way. One of the most significant statements regarding this project was made by the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton). He talked about the type of technology that is developing. If we are going to do the job and get the oil out of the tar sands in large quantities, we must develop technology. The hon. member said it may be good that we did not go ahead at this point because technology could improve over the next few years. He said it may be cheaper, that we may get more out of it, and in the long run the country will be better off.

We must continue to develop these areas, but at a rate that we as Canadians can do it. We should not take all the oil out, export it and make future generations suffer. That is what would happen if members opposite were still in government. They are not concerned about future generations. They are concerned about the quick buck, and let future generations worry about themselves.

I now come back to the theme I have been developing throughout my speech. In the right-wing of the Progressive Conservative Party there is a large segment known as red Tories. They believe in Reaganomics, the whole sparrow