

Saskatchewan or whatever. We in Newfoundland are ready to handle our full responsibilities as owners of those resources.

What about this view that somehow Newfoundland has suddenly become rich? You can forget that, Mr. Speaker. Newfoundland is still the least rich province of Canada if we just look at one example of that, and I am quoting now from a document of May, 1980 prepared by the government of Newfoundland. They point out that in 1978, the latest year for which statistics were available, Newfoundland ranked a dismal last in the nation in terms of earned income, income that we earn down there. It is not given to us, not transferred to us, not coming from somebody else, not given—you put your hand out like a poor old trained seal and somebody puts it in your hand; it is earned income that people earn. We are the last of the ten provinces in Canada, and if we take Newfoundland per capita earned income at 100 in the year 1978, Ontario was 208. It had double the per capita earned income of Newfoundland. Our disparity was 108 per cent compared to Ontario. British Columbia was 205. Our disparity was 105 per cent compared to British Columbia. And so on down to Prince Edward Island, which was 14 per cent better off than Newfoundland was in earned income in that particular year. That is the situation of Newfoundland.

Supposing Newfoundland—and this argument applies to the other Atlantic provinces also—is recognized by the federal government, no matter what the legal, technical position is, as being the owner of those resources just as if they were under the land, just as if we were Alberta, Saskatchewan or British Columbia. The federal government would not be giving much away. The federal government would still have the right to impose a corporation tax. The federal government would still have the right to impose any means or method of taxation, direct or indirect. It would still have all its tremendous constitutional powers that it has today in relation to the resources of Alberta, Saskatchewan or wherever they are. It would be no different.

Now, this year Newfoundland is going to get \$782.4 million in transfer payments from the Government of Canada; \$416.7 million in tax equalization. When we include all the established programs financing, \$782.4 million is a sizeable amount in relation to Newfoundland. But I point out that Quebec is going to get over \$6 billion and that even mighty Ontario is going to get \$4.909 billion, and so on. Do not think that Newfoundlanders are the only ones getting money under these programs. We are getting \$416 million in tax equalization.

If Newfoundland at some point becomes entitled to the royalties and a lot of the revenues that come from the ownership of oil and gas resources, then it will no longer be receiving \$416.7 million in tax equalization. It will no longer need it. That will save the Government of Canada \$416 million and, of course, in ten or 15 years' time it will be a far larger sum. If the four Atlantic provinces become self-sufficient and self-sustaining because of offshore resources, it would save the Government of Canada hundreds and hundreds of millions, even billions, of dollars.

### *Canada Oil and Gas Act*

Why is this government so dedicated to the position that these areas must be kept dependent? Because that is what they are saying in this bill. That is what they are saying in their oil and gas policy. "We are dedicated to the proposition that you in the Atlantic provinces and Newfoundland will always be dependent on us here in Ottawa" and "If you do not do as we tell you to do, we are going to punish you," just as this government is punishing Newfoundland and Newfoundlanders today in every way, shape and form they can—

**Mr. Breau:** Nonsense.

**Mr. Crosbie:**—in their restriction of spending and federal expenditures in that province. I do not have time today to document it but I can, and that is why the minister opposite who represents us is going to have to run. He is going to be like Hughie Shea, the fastest man on two wheels ever to go through the Goulds. He is going to be the fastest man on two wheels ever to go through Grand Falls-White Bay-Labrador unless he changes some of his actions when the next election comes.

We are not a have province. The Prime Minister indicated in a speech to the Liberal party in Newfoundland that he is ready to discuss this issue and to try to get some resolution of it. He says he wants Newfoundland to have 100 per cent of the revenues. This is all weasel wording, of course. What revenues? He says he wants us in Newfoundland to have 100 per cent of the revenues. He does not define what they are. He says we should have those revenues until we become a have province. What is a have province? Who defines it? Who decides when Newfoundland becomes a have province? We have just seen this House pass legislation to provide that Ontario is a have province when, according to the equalization formula, it is a have-not province now.

We just passed in this session legislation to change the definition in terms of "have" with respect to Ontario, because Ontario was entitled to tax equalization until we passed those recent amendments. So who can define what a have province is and what a have-not province is? Is Newfoundland, if it entered into such an agreement with Canada, to leave it up to the Government of Canada to decide when it is have and when it is have-not, and when it loses the revenues? When it loses oil and gas revenues because it is a have province, how can it remain a have province? If you had all those revenues and they made you a have, and then the federal government says "You are a have" and they take the revenues back, are you still going to be a have, or are you going to be a have-not? That is some deal to offer the province of Newfoundland! I hope the Prime Minister is going to be a bit more serious than that.

● (1650)

The Premier of Newfoundland has written the Prime Minister to say that he is ready any morning, afternoon or night to meet with him and discuss this issue, to try and negotiate some settlement. However, he is not going to throw away Newfoundland's rights and opportunities just because the squeeze has been put on by the mighty Liberal government in Ottawa