

*Excise Tax*

of the country which is benefiting from this tax is the federal government. It is part of the massive tax grab introduced on October 28 in the National Energy Program.

Another result is that independent companies not as strongly capitalized as the multinationals have found their capacity to obtain financing from the banks and from the marketplace has diminished significantly. These are the companies which were supposed to be helped by the Canadianization program of the government. They are sending money out of the country because the environment in Canada is not favourable by a considerable margin when compared with the environment in the United States, the most readily available place in which to invest that money. The netback to producers in the production of natural gas is approximately one-fifth or one-sixth of the netback in the United States. The United States has not moved to deregulate the price of natural gas as yet, which, if it did, would increase the disparity between the two countries.

One of the objectives of the National Energy Program is Canadianization, and the tax in itself is hurting the companies which were supposed to be helped. This clearly points out the inconsistency between the objectives of the program and its actual impact. We have said time and again that we accept the objectives of the program. We think they are laudible and we support them, but they are totally undermined by the taxation policies. I will illustrate another element in this regard later on when we deal with the production tax.

This tax is a very important factor in the deadlock between the two levels of government in terms of reaching an over-all pricing agreement for oil and natural gas. If we do not achieve an early resolution of the deadlock, the megaprojects, the Al sands and the Cold Lake project, will be scrapped; the Syncrude expansion will be deferred for a number of years or possibly scrapped; our reliance upon imported oil from countries such as Mexico and the more unstable ones of the Middle East will increase; our over-all objective of self-sufficiency in energy will be set back. I will return to that area in the debate on the production tax.

● (1700)

It is critically important that this government rethink and withdraw this tax on natural gas and gas liquids if we are to move ahead and achieve some rational approach, some understanding within the country as to the over-all objectives which can be accepted by all parts of the country, not just here on Booth Street in Ottawa. It is important during these negotiations between the two levels of government that consideration be given to that point.

I understand that a letter or telegram was sent by the Alberta government to the Minister of Energy, Mines and Resources (Mr. Lalonde) asking for the natural gas tax and the production tax to be withdrawn until the negotiations are completed. I ask the minister of state why that request was not honoured when we are right in the most sensitive part of the negotiations, particularly when the Supreme Court was considering yesterday whether that tax was legal. I question whether this House should be debating and voting on a tax which has

been declared illegal, but that is the position in which the government has put us.

I will complete my remarks here, Mr. Speaker. What I have said clearly sets out why we are opposed to this tax. There will be others in my party who will be discussing certain other elements of this issue. I urge the government to seriously consider the amendment which we have put forward to delete the tax entirely.

**Mr. Cullen:** I rise on a point of order, Mr. Speaker.

**The Acting Speaker (Mr. Blaker):** The hon. member for Sarnia-Lambton (Mr. Cullen) is rising on a point of order with respect to the other motions which have been grouped for debate, is that right?

**Mr. Cullen:** Yes, Mr. Speaker.

**The Acting Speaker (Mr. Blaker):** I will try to dispose of that and an additional problem which has arisen, particularly with respect to the hon. member's motion No. 38 and the motion standing in the name of the hon. member for Kamloops-Shuswap (Mr. Riis), who is not in the chamber at the moment. Perhaps one of his colleagues will take note of what I have to say.

To begin with, when I indicated to the House that we were dealing with motions Nos. 36, 37, 38, 39, 40, 41, 42 and 43 I did not think it was necessary for me to indicate in whose name each one of those motions stands. For procedural purposes, if hon. members prefer I will do that. I understood that each and every one of those motions is up for debate, including that of the hon. member for Sarnia-Lambton.

I have a second problem, that is, that Madam Speaker's ruling relating to motions Nos. 38 and 39 does not leave me completely clear in my own mind as to whether or not, should the House defer the vote on motion No. 36, the result is that I should put the question to the House on motions Nos. 37 and 38. I do not think, whether or not the question is put, that will have any adverse effect on the hon. member for Kamloops-Shuswap or on the hon. member for Sarnia-Lambton since, in my view, they would have to come forward again this evening for consideration on yeas and nays following the House order put forward yesterday.

If either of those two members makes it clear to the Chair that for some reason they have some concern with the ruling I am making now, I would rather assure them of their right to have their motions brought immediately to yeas and nays, and regardless of the outcome with respect to motion No. 36 I would, following that, put motions Nos. 37 and 38 to the House on yeas and nays, if those hon. members feel that their rights are better protected in that fashion.

**Mr. Cullen:** Mr. Speaker, in my discussion with the Chair my one concern was that I thought these motions were all grouped together and that it was necessary to put them, we could debate them and the votes could come in due course. If motions Nos. 36 and 37 were not in fact carried, then the Chair would move immediately to motion No. 38. If they were