should get what they are entitled to. But they still find it difficult to understand certain facts. They know that people in Alberta pay the lowest taxes in Canada, that their oil products cost about 25 per cent less than anywhere else in the country and that Alberta has a heritage fund of several billion dollars to ensure its economic future. The people in Verdun, Mr. Speaker, like other Canadians in eastern Canada, think that Albertans are entitled to that wealth. What we fail to understand is to what extent Mr. Lougheed has forgotten the recent history of Canada, complaining as he does of having been cheated and of not getting his fair share.

[*English*]

But, no, Mr. Lougheed said that Alberta has always been, and is continuing to be, shortchanged. He said Alberta is entitled to the OPEC price for its oil because it is the fair market price. He said he was trying to protect a rapidly depleting resource, and, finally, that the provinces are the sole owners of their resources and should therefore be the only level of government permitted to tax them. Let us consider his arguments one at a time.

While it is true that Alberta's conventional oil production is peaking and will decline through the 1990s, this ignores the fact that Alberta has enormous natural gas, tar sands and coal reserves. According to federal energy estimates, Alberta had the equivalent of 18.7 billion barrels of oil last year compared with 18.5 billion in 1970. This represents oil, natural gas and tar sands designated for the two functioning tar sands plants. It does not even include another 25 billion barrels from the tar sands which can be reached with existing technology. So, Alberta has enormous resources for its future.

● (2030)

Ottawa needs a greater share of the oil tax revenues to offset the harmful effects of rising energy prices, to diminish big differences between rich and poor provinces, and to help restructure the Canadian economy so that it becomes less dependent on scarce oil and more energy efficient.

Mr. Lougheed's demands for higher oil prices would mean more inflation. But that is only the beginning, as our energy paper points out. Because consumers would have to pay more for oil and gas they would have less money for other goods and services. This reduction in total demand in the economy would mean more lay-offs, plant shutdowns and less economic growth. The rest of the country cannot accept Mr. Lougheed's demands for higher oil and gas prices and a bigger share of those prices going into the Alberta treasury and its heritage fund. Even the new federal proposals leave enormous wealth in Alberta's hands over the 1980s of at least $100 billion, with $30 billion going to the heritage fund to earn income for future generations. Albertans will continue to have the highest incomes and the lowest taxes in Canada for many years to come. The federal energy proposals represent an effort to achieve a fair balance between the federal and Alberta positions.

[*Translation*]

Mr. Speaker, the budget attempts to use the energy industry as a factor of growth for Alberta and the country as a whole. The action considered by Mr. Lougheed, namely, a 15 per cent decrease in oil production and the temporary freeze on a big tar sands development project, would delay this growth, which would hinder industrial development, particularly in Alberta. The people in Fort McMurray and Cold Lake, rapidly developing communities, are likely to be concerned that this legislation will slow down this growth.

[*English*]

Mr. Speaker, the one newspaper in this country which most closely allies itself with Mr. Lougheed's policies is probably the Edmonton *Journal*. Certainly it is a paper which most often stands squarely against what Ottawa does with regard to its energy policy. But listen to what it said in its editorial of November 13 regarding the tar sands project:

> What does Alberta gain by delaying approval of oil sands development permits? In a word, very shaky leverage. If the premier abandons his demand for a global agreement on energy pricing, what bargaining power does Alberta have left?
>
> The risks involved in delaying the oil sands projects are even greater. The Alsands and Cold Lake projects represent $16 billion worth of development, 280,000 barrels of oil a day, capable of replacing $4 billion a year (1980 prices) of imported oil. How long can Alberta reasonably expect Ottawa to stand by while the national goal of energy self-sufficiency by 1990 disintegrates . . . If Alberta shows no sign of movement at least on synthetic oil pricing, is it reasonable to expect the national government not to act in the national interest? How long should Alberta defend its position? What price should Albertans be asked to pay to support that defence? And how long is Canada prepared to wait while we decide?

The Edmonton *Journal* published that not even one month ago, Mr. Speaker, and still Mr. Lougheed wants to blackmail the people of Canada by threatening to destroy our chance for energy self-sufficiency.

[*Translation*]

In an eleven-page advertising supplement published in *The New York Times*, it is reported that according to the Alberta government, the standard of living of Albertans is 25 per cent higher than that of any other Canadian living in the same conditions. The budget deals therefore with the question of sharing among all the regions of Canada.

In 1979, the federal government received less than 9 per cent of total oil revenues, while the Alberta government collected over 50 per cent. In Texas, for instance, the state gets only some 25 per cent of revenues. In Australia, the state get only 15 per cent of oil revenues, while the federal government receives 48 per cent. The National Energy Program's prime objective is to ensure safe supplies and allow Canada to do away with dependence on the global oil market. It also aims at keeping a competitive edge over our American neighbours. This is why the domestic price should never exceed 85 per cent of the American equivalent. Our Canadian industry will derive no benefit, however, if Alberta retains all or an excessive part of oil revenues.