

Petroleum Incentives Program Act

The committee to Canadianize said, "We strongly urge the federal government to acquire one of the four major controlled companies as a new Crown corporation." It did a Gallup poll on that subject. I tell my Liberal friend, who follows the polls like a dog, that the poll conducted by Gallup on this very question indicated that 64 per cent were in favour and 23 per cent were opposed. One does not get that impression when one listens to the Conservative opposition. It says some good things about small Canadian-oil companies. However, when it knocks the general thrust of the National Energy Program, it is way off base. Concerning government take-over of one of the big four, 55 per cent said yes and 28 per cent said no. Canadians are way ahead of their government. Instead, what does the government give them? Does it give them a commitment to 75 per cent? It gives them a commitment to 50 per cent Canadian ownership by 1990. Mr. Trudeau promised that in 1972.

Some hon. Members: Order!

Mr. Waddell: It is too little. The Prime Minister promised that way back in 1972. It is too little and it is too late, according to the Canadian public. The people want more. They say that what the hon. member suggests is kind of radical, that he is just a socialist. I suggest they look at the Wednesday, March 24 edition of *The Globe and Mail*, an article by Jeffrey Simpson where he talks about the oil industry in Norway. I quote from that article:

● (2020)

—Norway has never had trouble attracting foreigners to the North Sea. Despite tax levels and government involvement undreamed of in Canada.

Where there is oil, the companies will go. There is oil in the Beaufort Sea, in the Arctic and the offshore. Members who take an interest in energy are well briefed on how much oil is thought to be there. I again quote:

The Norwegian government tax take, for example, is 85 per cent. In addition, Statoil automatically gets 50 per cent of any oil project in the North Sea, and the corporations participation can go as high as 85 per cent. It can also raise its share above 50 per cent at any time. Put simply, every concession awarded in the North Sea by the government gives at least half the action to Statoil. And the corporation has a bigger stake in all the most promising projects.

What does the Government of Canada propose? It proposes to give the oil companies 93 cents on every dollar for drilling and exploration and take back a 25 per cent equity. The position of the New Democratic Party is like that of Norway. If you are going to put that kind of money in, you should take equal equity out. You should take at least 50 per cent control, as they do in Norway.

There is another interesting quote from Mr. Simpson's article. Referring to what was said by one of the chairmen of Statoil, who has vast experience in the whole oil business in the North Sea and other places, he writes that—the logic of dealing with multinational oil companies demands that Statoil always be in the driver's seat.

The logic of dealing with these companies demands that Petro-Canada always be in the driver's seat. Time and again the hon. member for Comox-Powell River (Mr. Skelly) has made the point that if you want to have industrial spin-off, you cannot trust a big American company in there, because it will

take it and go to Chicago or New York, not to the small Canadian who needs help. That is what they found in the North Sea. Britain found there has to be a program. The hon. member for Comox-Powell River almost stood on his head at the committee hearings on Bill C-48 to put these ideas to the Canadian government.

I see the Minister of Transport (Mr. Pepin) in the chamber. I tried to ask him about industrial spin-off regarding coal in British Columbia. As Bob Rae, the former member for Broadview-Greenwood, used to say about the budget of the Minister of Finance (Mr. MacEachen), it is not like Tinkerbell, you cannot wish it would happen, you have to plan it. We need Petro-Canada in the driver's seat.

This \$6.5 billion provision is an obscene provision, at a time when we are cutting back on education and health benefits. We had a debate on this a couple of weeks ago. The hon. member for Winnipeg-Birds Hill (Mr. Blaikie) eloquently put the case for universal medicare and discussed the problems with medicare. With all these demands on the treasury, why give away \$6.5 billion?

There is another reason why we should not give it away. I do not think it has been raised in this House other than in one question that I put to the Minister of Energy, Mines and Resources. The federal government thought it would get a lot of money through this deal with Alberta, Saskatchewan and British Columbia. It was really a tax grab, to be collected at the pump from the consumer. The governments of Ottawa and Alberta thought they had it made through this deal with Alberta.

The international price is falling because of a glut in the oil market. It was said we could not have anticipated that, although I am not sure. The Government of Canada now has a real problem. It is not going to get that money. It will lose something like \$22 billion. Where will the government get the money for the \$6.5 billion in grants to the oil companies? It will get it out of the hide of the Canadian consumer. That makes the system even more obscene. It is the same old pattern.

Tommy Douglas used to say in the House of Commons that the money is taken out of people's pockets and put in other people's pockets. In this case, it is being taken out of the taxpayer's pocket at the pump and being recycled through the government to the oil companies. This is the Liberal alternate energy policy. It is called recycling. You hose them at the pump and give the oil companies \$6.5 billion. That is scandalous.

Let us look at the figures. For 1981-82 it is \$940 million, 1982-83 \$1,040 million, 1983-84 \$1,150 million, 1984-85, \$1,480 million and 1985-86 \$1,850 million, totalling \$6,460 million. That is \$6.5 billion from 1981 to 1986.

I am sorry the minister is not in the chamber. I have his exact words from this evening's debate. He said it is necessary to provide these PIPs to obtain security for Canadians. He said these PIP grants are not too generous. They are not too