

Energy

when I raised the matter of the pre-build in the House of Commons?

An hon. Member: Hiding.

Mr. Waddell: Half of them did not vote on the matter. The other half voted with the government and continued their policy of selling out Canadian resources.

Mr. Benjamin: Instead of looking after Canadians.

Mr. Waddell: This past summer I instituted a law suit against the Government of Canada, and it is now awaiting trial. In the suit the legality of the government's proceeding on the pre-build is challenged, and that matter will soon come to trial.

I visited the United States this past summer, and it became clear that the Americans have not—and I stress have not—arranged the financing of the full Alaska pipeline, contrary to what we have been told. There is some hope and some movement, but still there is no financial package in place, so right now we have a pre-build of the southern pipeline with no hope at the moment of building the northern part. We have a sell-out of Canadian gas resources.

This summer as well I, as federal NDP energy critic, and Ms. Evelyn Gigantes, who is a provincial member of the Ontario legislature from the Ottawa area and provincial NDP energy critic, proposed that instead of selling out these resources to the United States—or perhaps to Massachusetts now—we should be banking them in Canada. I recognize that some small companies have a problem with cash. They have explored and found gas, and they need to sell it. The minister can reply to my suggestion when he rises after me. What about taking that gas, having Ontario, the federal government and Quebec buy it from those small companies, bank it in Alberta, and then use it later on when there is need for it? I suppose that makes too much sense as an energy policy, but I suggest it to the government. Instead of selling out resources, I suggest that the government adopt that policy.

I want to say something about the industry in this debate. Industry-wide 1979 after-tax profits rose 53 per cent, to \$4.7 billion. This money came from Canadian consumers who are having difficulty with unemployment and high inflation. These profits represent a rate of return of 33 per cent on stockholder equity. The cash flow of oil and gas companies has risen 45 per cent, to \$7.1 billion. What does the Canadian consumer see? He sees fairly hefty profits and government tax breaks. Dome Petroleum pays no income tax, while the average Canadian consumer pays income tax, and he has no participation in this.

What is the policy of the government in this regard? So far there is none, but I suspect that next week the policy might be to Canadianize the industry. How will that get any money back into the pockets of the average Canadian? What is the point of replacing Andrew Mellon with, say, Bob Blair, or Rockefeller with Bronfman?

Mr. Lalonde: Or T. C. Douglas.

Mr. Waddell: There is no difference, in my view; it is not going to help the average consumer. The consumer sees the amount of a company's income tax and says that the saving grace is that all that money and cash flow will be used to find petroleum. Is that right? It is wrong because, according to the government's own monitoring report, industry-wide petroleum-related investment dropped steeply, from 93 per cent to 80.1 per cent of cash flows. What is happening is that these companies are making large amounts of money and are beginning to invest it in other industries. In other words, when we put gasoline in our tanks and pay for it, we are financing a further takeover of Canadian industry by foreigners. Any government worth its salt would tackle that right away and not wait.

We in Canada should have our own energy policy, and in the short time I have left I would like to state what the basis of that policy should be. The policy should be two-pronged. The first base should be that Canada be energy efficient. We must create an energy-efficient society. That should be the number one goal. Rather than talking about security or whatever, let us talk about Canada being energy sufficient. That should be the goal. That means conservation measures, and in the weeks to come my colleagues will be outlining some such measures. The hon. member for Vancouver East, who sits in front of me, will outline what energy efficiency means to the housing market and the housing industry. The member behind me from Regina will, in his own inimitable fashion, set out what it is like in terms of railways. The first and central goal is that Canada must be energy efficient. That would be the NDP cornerstone of the energy policy: Canada must be energy efficient.

● (1610)

The second goal is that we must have public ownership of our petroleum industry.

Some hon. Members: Hear, hear!

Mr. Waddell: This goal is what makes our party fundamentally different from my friends across the way. I ask the minister to reply to these arguments. He should tell my why his Canadianization is better than our policy of public ownership. If we have public ownership, it seems to me that we can develop a national energy policy according to public priorities, not according to private ones or the priorities of Mr. Blair, as much as I love him. I have slept on numerous floors with Mr. Blair up in the Arctic and I saw him doing very well in the corporate world. The point is that we could set public priorities and we would have lower costs, because the money would not flow out of the country and it would not flow to fewer shareholders.

Third, we could stop the financing of our own takeover by foreign industry. One dollar out of every three in profits in our total economy in 1990 will come from the gas and oil industry. They are using this money to expand. As the hon. member for Yellowhead (Mr. Clark) said, if we let this situation go, this could not simply end the country as we know it but could end