

Borrowing Authority

When we consider opportunity, let us look at all the jobs being lost and the massive exodus. Let us look at fairness. As an Albertan I have to tell the House—and this view is shared by many Albertans—that it is not fair. Let me ask whether it is fair that we should be buying oil from Venezuela and other OPEC countries at \$43 a barrel, while paying the government of Alberta \$17.75 a barrel for conventional crude, which works out to 41 per cent.

Last July, Alberta proposed more rapid oil price increases, but not that much more rapid. Under Alberta's plan domestic oil would be selling for \$19.25 this month instead of \$17.75. In other words, Alberta proposed to sell its declining conventional oil at 45 per cent of the Venezuelan price but this government turned it down. Who are the bad Canadians, who is being unfair? Why is there a freeze in relations between Edmonton and Ottawa? Why are the oil sands projects not going ahead? Why is our industry faltering, and why are tertiary oil recovery projects collapsing?

The fact of the matter is that the program is clearly not fair; it is certainly not fair to Alberta and it is clearly not good for Canada. I can tell the House that Alberta's determination to fight this policy will not wane, and that the government of the province of Alberta has the support of its people.

We look at the National Energy Program and what it proposes to extract through taxes imposed on natural gas and oil. If one looks at the maximum amount it is able to recover with the Canadian ownership charge, one finds it works out to the shifting of some \$37.5 billion from the coffers of the producing provinces to the federal government. Most look upon that not as an encroachment but, rather, as a raid. Out of the \$37 billion which will be extracted over the next three years, some \$2 billion will be put into a so-called western development fund. I can tell hon. members that that is pretty small potatoes when we consider the massive shift which has taken place. The Minister of Transport (Mr. Pepin) indicated in the committee one day that he thought part of that \$2 billion would be used for transportation. He has now told me that might be very difficult.

● (2030)

The Hon. Leader of the New Democratic Party (Mr. Broadbent) aligns himself with the policies of this government and attempts to herald himself as the great preserver of resource ownership for the provinces. It was my impression that ownership rights are now entrenched in the constitution; ownership now rests with the provinces. The Leader of the New Democratic Party suggests that he can tell the province of Alberta how it should handle its royalty and taxing measures. He suggests Alberta is losing some \$600 million. I do not think the people of Alberta need any of that hollow wisdom emanating from the mouth of the Leader of the New Democratic Party.

Ownership is an existing constitutional right for the provinces, and this government is attempting to waffle and weasel out of it. We are clearly missing the boat in terms of exploiting our energy potential in this country. That is one of our natural strengths, and we are not taking advantage of it.

There are some other natural strengths we have which this government is failing to recognize. Agriculture is one of them. What I am trying to say is that by the government's motivating and providing a climate which would be conducive for these industries to flourish, we could be generating much more revenue for Canada and for Canadians. Agriculture is clearly one of those basic and fundamental industries which is being shortchanged by this government.

The movement of grain once again is in jeopardy. The other day the Minister of Transport said we will have to ration grain cars unless we make some changes to the Crow rate. I hope the Minister of Transport will cease associating himself with that statement, because all it does is further impair our reputation as a reliable supplier of grain.

It certainly does nothing to build up confidence in the minds of the producers we are asking to produce amounts of grain which would give us the opportunity to export 30 million tonnes of grain by the year 1985 or 35 million tonnes by 1990. We need an investment of some \$14 billion to \$15 billion in our railroad system, and much of this could come from private funds.

We could be looking at investment incentives such as incentives similar to MURBs or RRSPs, but this government has no imagination. It thinks everything which must be done simply by government ownership and by government control.

With respect to port development, this is another area in which we need co-operation with the provinces and with industry, but we have a federal government which would rather fight with the provinces than work with them.

With respect to freight rates, we must remove the anomalies which mitigate against the further processing and manufacturing of agricultural products and particularly grain products in Western Canada.

Western Canada has 27 per cent of the Canadian population but only about 17 per cent of the manufacturing activity. Only 8 per cent of the manufacturing activity takes place in the prairie provinces. I am not suggesting that the prairies should be an industrial giant like central Canada, but there certainly is potential for further processing and manufacturing of agricultural products on the prairies. There is no co-operation today. The two levels of government are in conflict.

There must be greater diversification in the agricultural industry. Today we are importing almost one third of our food basket; one third of our food basket is composed of imported foods. We are not expanding our productive potential in agriculture.

We have a problem in the beef industry today. The government has lifted all restrictions on beef and veal. There have been massive increases in imports, which cause depressed prices. We were promised a meat import law by this government. We are into the second month of 1981, and we still have no meat import law. Cattle producers are in serious trouble in this country. They have been losing money for the last two years. Many of the producers in my part of the country are saying they will either quit or face bankruptcy. Here again we