The Budget—Mr. McCauley

Mr. McCauley: For example, The Calgary Herald polled Albertans and found that most expected a gas price hike and did not think it was excessive. The president of the Alberta Chamber of Commerce said that converting from oil to gas should be beneficial to Alberta and all of Canada. The Edmonton Journal carried an editorial which said the budget would not reduce Alberta's income in the immediate future. It predicted faster growth after 1984. The Journal also predicted the heritage fund would continue to grow at a healthy rate, oil sands plants could go ahead, conventional oil and gas would flourish, and the over-all economy would grow. Also deep in my heart I believe Albertans appreciate that being part of Canada is something like being subject to progressive income tax—"The more you make, the more you contribute". They feel more allegiance to confederation, the Canadian experience and national welfare than certain members of the Conservative opposition give them credit for. The dark mutterings of the Tories about western separation are in many instances attempts to play off one region against the other.

The hon. member for Edmonton East (Mr. Yurko) said in a recent speech:

The nation can stand considerable stress and strain. It is constantly proving this. It is a durable nation and will survive the constricted wisdom and political demagoguery of those who will rave and subtly give credence and substance to national cleavage and dismemberment.

The hon, member was participating in the debate on the constitution when he made those remarks, but I am sure he would agree his words apply equally to this debate. Certainly there is western alienation, not only political and economic, but even geographical and physical. By the time British Columbians get up in the morning, the stock markets in Toronto and New York have been open for hours. Decisions affecting them have already been made half a continent away. Even during an election, the results have usually been decided long before the polls close on the west coast. No wonder westerners feel everything is decided for them in some mythical place called central Canada. But they are not the only ones who feel that way. The people of Atlantic Canada have the original patent on alienation. For years they have felt they are just drifting along behind the rest of the country. Whether we live in Atlantic Canada, Ontario, Ouebec or the west, we know from time to time that all of us have contributed to the growth of this great country. John Diefenbaker from the west gave us a bill of rights; Tommy Douglas from the west introduced the first provincial medicare plan. The west has a fine tradition of grass-roots politics which has made their governments very sensitive to how the little guy on the street feels, until now. Now certain politicians for their own political purposes are trying to appeal to the worst in westerners, saying the east and central Canada are robbing them of their resources.

The hon. member for Vancouver Centre (Miss Carney) estimated that British Columbia will lose \$30 million annually on exports of natural gas because of a tax on that fuel. She did not mention the \$4 billion that will be heading west from the federal government to help that region diversify its economy. If western Canadian companies cannot sell their gas south of

the border, the federal government will buy it. These measures, plus the provincial share of the export tax on oil, should more than compensate the region for any ill effects that may be felt in the export market. Westerners are reasonable people; the federal government is taking heed of the region's aspirations and is sharing the nation's wealth with it and all other parts of Canada. That is the task of a truly national government.

Some hon. Members: Hear, hear!

Mr. McCauley: It hurts me to hear irresponsible statements like those of opposition members who say this government has declared war on the west. As I said, irresponsible statements just encourage the worst in people.

The New Democratic Party has shown it can put its constituents' interests in the west before its political interest. The hon. member for Yorkton-Melville (Mr. Nystrom) said our actions on this side of the House on the natural gas tax show we sincerely hope to gain support in the west. Certainly westerners have gripes. Don't we all? But westerners have not been ignored by the federal government to the extent that some of their representatives would have them believe.

Take resource benefits, for example. The Canadian provinces get a higher share of resource revenue than any other state in the world: more than double the share Texas gets from its federal government; more than triple the share which goes to the state of Victoria in Australia. What about all the money the federal government has passed up in favour of tax incentives for oil and gas exploration in the west? The provincial governments have earned a considerable sum in royalties from projects which might never have begun without federal tax incentives. As for the weeping and wailing of the oil industry, let us remember that federal price and tax policies have provided the industry with the cash flow necessary to finance its expenditures. This means the oil consumer and the Canadian taxpayer have financed virtually all the substantial expansion of this industry. Surely Canadians have the right to be more involved in the energy industry, which has realized such fabulous growth in the past few years.

Some hon. Members: Hear, hear!

Mr. McCauley: After-tax profits in the industry reached \$4.7 billion last year, up 53.8 per cent from 1978. We have a good thing going in the energy sector, and it is time Canadians as a whole began to profit from it. The multinationals are not likely to throw in the towel tomorrow and quit investing in Canada because of the national energy program. Where else can they go? To Britain, where the government has first claim on over half the offshore oil production? Compare that to Petro-Canada's new claim to only 25 per cent of energy finds in the Arctic and offshore. The multinationals will not be too interested in going south to Mexico because the state gets 100 per cent of the finds there, and Norway claims 50 per cent to 70 per cent of the share in its jurisdiction. It is not as though we are buying assets from them which Canadians do not deserve or have not contributed to; not at all.