

Excise Tax

of Canada who is becoming very, very concerned. Some months back we saw, when the voices of concern in Quebec were growing in volume, the federal government in its wisdom taking a number of steps to recognize that concern of the people in Quebec with their feelings of alienation. Right or wrong, a number of steps were taken, and we see from the results of polls and referenda that in fact the people of Quebec responded to that at least perceived sensitivity by the federal government.

I am talking about a growing feeling of alienation in western Canada. I am not pleased to see or say this, but there is a feeling in western Canada that this particular government is insensitive to the concerns of westerners. Recent polls carried out over the last number of months have indicated very clearly that those westerners who see the federal government as not doing very much for them relative to other areas in Canada are looking more and more favourably at some other political arrangement.

I am not talking separatism. I do not believe in that for a moment and I do not believe many western Canadians do, although 10 per cent do. I would ask members opposite how many people in Quebec would register in a poll as being separatists. I suggest it is not much greater than 10 per cent, so when we talk of only 10 per cent of westerners registering that complaint we are talking of a significant number of people who are concerned about the way Ottawa, this particular federal government, is treating westerners.

What is the federal government doing about this? What kind of gestures or policies is the government implementing to show western Canadians that, indeed, it is sensitive to their concerns, that it recognizes westerners have a special set of concerns in that part of the country and is meeting them?

I do not want to get into a large elaboration of the western development fund that was held up as the gesture by this particular government to westerners, but where is that western development fund and what is it? By this piece of legislation we are debating today, what this federal government is doing is taking \$38 billion from western Canada, laundering it here in Ottawa and returning \$4 billion. That is the kind of perception, right or wrong, that is emerging in western Canada. From the information I have, I have to articulate that \$38 billion is being collected by the taxes we are levying today on natural gas and oil. That \$38 billion is to be taken to Ottawa, laundered and sent back through a pork-barrelling system to the extent of \$4 billion.

An hon. Member: What's wrong with that?

Mr. Riis: That is the kind of perception western Canadians have. Right at the moment there exists infrastructure for this particular government to assist the west without the politically orientated western development fund. In principle we on this side oppose that kind of approach. Already the infrastructure exists to get money into western projects. I do not have to articulate anything other than, let us say, the DREE program if we are serious about this.

What does the PGRT do? Really, when you look at what the PGRT is, you will clearly see it is a revenue grab by the federal government. It is clearly the imposition of a royalty on a certain energy resource.

One has to ask the question, why is it that the federal government has selected only a restricted number of energy resources to tax? Why is the federal government not taxing hydroelectric power? Is it because of the implications of that move in the provinces of Ontario and Quebec? Why is the federal government not taxing uranium as an energy resource in Canada? Why is the federal government not taxing coal as an energy resource in Canada? These are legitimate questions a member of Parliament would want to ask. Being from western Canada one becomes slightly suspicious when one sees a particular resource that is restricted to perhaps three provinces being taxed and not the other energy resources. That certainly begs the question why. People wonder why there is a growing sense of alienation by westerners.

Mr. Evans: I explained that to you last night.

Mr. Riis: We will be looking forward, as all westerners will, to the answer as to why it is that hydroelectric power is not being taxed while oil and natural gas are. It seems to me that western Canada very, very clearly is being discriminated against.

Members have previously spoken more eloquently than I of the precise result of these taxes being levied. What kind of a government would identify a number of wells, let us call them marginal or stripper wells, and say that because of the policy it is prepared to implement it is going to close down all those wells? And there are thousands of them. I grew up in the Turner Valley oil fields of southern Alberta and I know what a stripper or a marginal well is and the importance of the role those old wells play today in our move toward energy self-sufficiency. Yet under this particular legislation those wells are going to be closed. Those marginal wells will be closed because they are expensive to operate and this new tax being levied makes the difference. We will see wells that could successfully be providing us with energy resources for years to come being closed off because they will no longer be economically viable. Why on earth would a government want to do that? We will wait with eager ears for the Parliamentary Secretary to the Minister of Finance to stand up and explain why this government is closing off the marginal, stripper wells in western Canada.

There are many other items one could speak of, including the whole matter of indexation that we on this side find a repulsive concept to be introducing. The Government of Canada is saying it is going to index the taxes on alcohol, including wines and beer, and tobacco. Does that not tell Canadians that this government assumes inflation is going to continue at the present rate if not higher? Does it not demonstrate clearly to Canadians that it is necessary to index these particular commodities because the government knows inflation is going to continue?