

An Hon. Member: Hear, hear!

Mr. Thacker: Those were truly wonderful days. I can remember those bells ringing for days. That was a very aggressive act in a parliamentary democracy. Many of us wondered if it was the right thing to do. In fact, it was the right thing to do, because history has shown us to be correct. The Canadian people in central Canada, Ontario, Quebec, and Atlantic Canada did not find it to be a fair policy that attacked one region. I am delighted to be a Canadian. I am delighted to rise in this House and see the end of the PGRT.

The Acting Speaker (Mrs. Champagne): Questions or comments.

Mr. Orlikow: Madam Speaker, I could not help but note the suggestion by the Hon. Member that, unlike the former Liberal Government which always favoured central Canada—meaning Ontario and Quebec—this Government was fair to all regions. The Member for Lethbridge—Foothills (Mr. Thacker) would not get much sympathy or support from the people of Manitoba who believe that for political reasons the CF-18 contract went to Montreal instead of to Winnipeg where the company submitted the lowest and best tender.

I wish to ask the Hon. Member some questions. The Member is happy that the NEP has gone, and the PGRT taxes will be gone, and the other taxes. When those taxes were put into effect the price of oil was close to \$30 a barrel. I ask the Hon. Member what is wrong with a Government trying to get what it considers to be a fair share of the profits? It was not just the federal Government, but the federal Government, the NDP Government of Saskatchewan, the Conservative Government of Alberta and, to a lesser extent, the Social Credit Government of British Columbia, all of which were trying to get what they considered to be a fair share of the huge profits that were being made. I do not see anything wrong with that. It is ludicrous to compare that objective by all the Governments with the failure of the federal Government to tax the hydroelectric systems of Manitoba, Ontario, and Quebec. Those were the three that the Hon. Member mentioned. Those are publicly-owned systems which provide power. Their instructions from their Governments—not a socialist Government in Ontario, it was a Conservative Government that started Ontario Hydro—under which they operate were to provide power at cost to the people they serve. To tax them would be to add cost to all the people who use electric power in those provinces.

• (1720)

When we talked about taxing the oil and gas industry, whether it be federal or provincial, we were talking about industries, with the exception of Petro-Canada, which were privately owned and making huge profits. I remind the Hon. Member that the price in the early 1980s was somewhere between \$25 and \$30 U.S. per barrel of oil. At that time all Governments—the federal, the Conservative Government of Alberta, and the NDP Government of Saskatchewan—

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believed that the price of oil would go up every year until it hit \$60 or \$70 per barrel. This is why they were trying to get some of the profits for their needs. What is wrong with Governments trying to get a share of the profits?

I have another question for the Hon. Member. He is happy that the Government is taking its hands out of the energy industry and letting it operate according to the market. I come from the consuming Province of Manitoba. Our people buy large quantities of natural gas. Does the Hon. Member support the idea that natural gas produced in Alberta, and probably in British Columbia, will be sold to customers in the United States at a lower price than it will be sold or is sold to Canadian consumers in Saskatchewan, Manitoba, Ontario, and probably Quebec?

Mr. Thacker: Madam Speaker, with regard to the profits tax, of course as the price of oil went up Governments at all levels shared in it under the system before the National Energy Program. Provincial Governments shared in the sense that land rents went up and in the sense that their royalties went up. Both the federal and provincial Governments shared by way of sales taxes and other direct taxes, because as the price went up oil companies searched for more oil and bought more trucks and cars. They also shared in the income taxes, federally and provincially. When we deduct all those extra taxes, there were not any real windfall profits.

I should like to refer to the second principle of self-sufficiency, which is even more important. Does the Hon. Member know that we are on the edge of the production of conventional crude that it will go down geometrically? I am sure the Hon. Member for Winnipeg North (Mr. Orlikow) knows that the amount of oil we can produce from western sedimentary basins will drop precipitously. We needed the extra price rise in order to bring on tar sands plants.

I can remember the Alberta Government issuing a guarantee to the rest of the country that if it were given world prices, enough synthetic plants would be on stream so that as the conventional dropped, the synthetic would go up and Canada would be self-sufficient.

The National Energy Program taxed away that money. It allegedly distributed it in PIP grants, but as I explained earlier, PIP grants were not finding oil. Thus we run into the problem where conventional is now dropping and we do not have synthetic coming on stream. Self-sufficiency for Canada is truly a problem with which we in Parliament will have to deal. It is much more serious than people realize.

With regard to natural gas to the U.S.A., a home in California at the burner tip will not be facing a cheaper price because transportation is a bigger cost. Some buyers in the United States may be able to get one cent or two cents off per thousand cubic feet because they guarantee to take a huge volume for a set period of time. That would be available in western Canada if some distributor wanted to do it.