

The Address—Mr. Broadbent

unhappy with some provincial governments' royalties and were unhappy with the federal government's tax policies. Petro-Canada filled the bill. Petro-Canada moved into Atlantic Canada and into the Arctic. Important results have ensued.

By breaking up Petro-Canada, what the Prime Minister would be doing would be turning it back into the hands of the multinationals. We would return to a situation where we had to use our own money to pay exorbitant profits to develop our resources. My party and I say that surely the day for that kind of development is past.

The Prime Minister talked about tax incentives for the oil industry in his campaign speeches. If I understood him correctly, he made reference in the throne speech yesterday to the same reality. I say to the Prime Minister, please check the oil industry's profit figures. Under the Liberal administration, we had a tax rate that saw the oil industry, and I am speaking of the "Big 5", make \$4 billion in profits between 1974 and 1978. During that time, the tax rate for the oil industry declined from 35 per cent to 21 per cent.

Mr. Woolliams: Is that in Canada?

Mr. Broadbent: Canadian profits, yes. I say to the hon. member from Alberta that he could probably confirm that rather quickly.

Shell, that poor enterprise, had a profit last year of \$150 million. Shell did not pay one cent in taxes. Gulf Oil had fantastic profits, with a declining tax rate. We do not need to give the multinationals in the oil industry any more money. In the United States President Carter recognizes it; why at long last cannot the Government of Canada?

It is important to note in terms of the development intentions of the Prime Minister and his government, as I understand it, that he wants to duplicate, for example, with the Gold Lake project, exactly what is taking place in the Athabasca tar sands development.

I ask you, sir, and the people of Canada to think seriously about this. Taxes of every working Canadian were used, not to provide an investment, not to provide a loan, but to provide a handout to Shell and the others that were working in the Athabasca tar sands. More than \$2 billion of Canadian money has been given to Shell and its partners. Talk about welfare and handouts. Some people may say that was necessary and that we will get taxes back later on when profits are made. As I stand here, and you sit there, Mr. Speaker, 99 per cent of Canadians do not know that Shell in that project will not have to pay one cent of tax on its profit, providing Shell buys more Canadian resources.

Think of the logic. We are giving them \$2 billion to develop our resources. That is not equity, that is a gift I am talking about. When a profit is made from our resources, taxes do not have to be paid if this money is reinvested in Canada. We have to be the only people ever who have financed our own takeover.

If time permits, Mr. Speaker, I could say something about the leading multinational in the field, Imperial Oil. It is not a

[Mr. Broadbent.]

joking matter. Once again I refer not to social democratic sources but to the *New York Times*. I ask the Prime Minister to read in that paper how that corporation has behaved in recent years. It tried to get \$100 million additional money out of the people of Nova Scotia having already rooked them, and I say that deliberately, because the evidence that was presented at the trial which took place in our land in 1975, and not given much play, was that Imperial Oil, the largest multinational in Canada, indulged in all kinds of nefarious practices, backdating orders, not passing on to Canadian consumers reduced prices they were getting from their parent firm, Exxon, and using a dummy corporation in Bermuda to save some \$35 million in taxes that ought to have come to the people of Canada.

● (1720)

That is not mythology. That is not rhetoric. It is fact. It was a decision reached in the Canadian court and reiterated, interestingly enough, in the *New York Times*. Is that a good corporate citizen? Is that the kind of entity we want to turn our oil industry over to once again? I say not, and I know the majority of Canadians say not.

Some hon. Members: Hear, hear!

Mr. Broadbent: The third reason for maintaining Petro-Canada as an integrated firm is to enable it to negotiate for the people of Canada on a state to state basis. The Prime Minister knows that the government of Venezuela and the government of Mexico, among others, want that. They do not want to work through the multinationals. They want to deal directly with the people of Canada. We want that as well.

We saw last year Exxon attempting to redirect shipments of oil that were intended for our borders. We say that we, like other countries, need a large oil firm owned and controlled by the people of Canada which will deal directly with the oil producing countries and not work through the multinationals.

The final reason I want to give for not simply maintaining Petro-Canada but for extending its operations, is in the retail field. I mentioned earlier that Canadians living from Thunder Bay west can now purchase at the retail outlet level gas for their cars from a Canadian-owned and controlled subsidiary of Petro-Canada, Pacific Petroleum. We believe that principle should be extended. For once give us in the east what they have in the west. Ontarians would like that. Let someone in downtown Toronto, Moncton or St. John's have the right to a credit card with the words Petro-Canada and a little maple leaf on it, which he can use to buy his gas, knowing that all the profit would be reinvested in Canada.

Having made those points in defence of Petro-Canada, and indeed for extending its role, I want to conclude with this observation. It is my strongest conviction that the Conservative party is being dictated to by the purest doctrinaire ideology on the issue. It is as simple but as unfortunate as that. If intelligence prevails, if pragmatism in the national interest prevails, and indeed I suspect if the ordinary Conservative backbencher had his way, because the ordinary voter who