

Petroleum and Gas

nothing—the Government proposes to take the money it has available and give it in the form of a tax grant to oil companies to improve their cash flow without the condition that they build an employment development project.

● (1540)

I see you are signalling me to come to the end of my remarks, Mr. Speaker. I have one final point. This money is unconditional to creating any worthwhile projects. It will mean improvement of multinational cash flows. Second, the Government does not intend to pass this along in any way to consumers. There are so many other worthwhile projects in the energy field on which this money could be spent. It could be spent in social fields. The proposal in this Bill is really a tragedy.

Mr. Scott Fennell (Ontario): Mr. Speaker, I would like to take a moment to congratulate you on your appointment and also to congratulate Mr. Deputy Speaker (Mr. Corbin) and the Acting Speaker (Mr. Guilbault). I would like to mention that we hope the former Speaker regains her health quickly so she can take on her new responsibilities and that we miss her in the House.

It is a great pleasure to speak once again on energy. I have done this quite a number of times since I came to Ottawa in 1979. I listened to the rhetoric of the Hon. Member for Comox-Powell River (Mr. Skelly). He talked about the Seven Sisters and that they might be getting a deal that is a little better. If you go back in history you will find it was the Seven Sisters that came to Canada and found oil. Bay Street could not raise the risk capital to find oil in the western Provinces. We have something to thank the Seven Sisters for. I accept the fact that those companies are greedy. They jump in. They are opportunists. But thank God those companies came and brought their expertise to Canada. I think those companies have been ill treated by the National Energy Program. Prior to the National Energy Program those companies were spending in Canada in excess of 100 per cent of their cash flow. Today I understand they are spending less than 50 per cent of their cash flow. I believe they have been an asset to this country. They would have, if given a chance, proceeded with the heavy oil sands and probably in 1985 we would have been producing oil from known reserves, from heavy oil and the oil sands.

The NDP's old complaint is, "Let's nationalize everything." Let me say to the Hon. Member for Comox-Powell River, thank God for the multinationals. In his own Leader's riding is General Motors. I say, thank God for General Motors. General Motors has introduced new technology into Canada and created jobs at a time when many people in Canada have been unemployed.

I am not a multinational basher. We must build up Canadian ownership. But the multinationals have contributed a great deal to our economy.

The Hon. Member for Comox-Powell River and I agree on one thing, namely, changes to the Petroleum Incentives Program. I disagree with how he would change them, but I believe they should be changed. I will be dealing with that point later

on in my remarks. It is interesting to note that the Minister of State for Finance (Mr. MacLaren) is the same individual who at the time of the energy hearings was the Parliamentary Secretary to the Minister of Energy. He is still backing the same loser. At that time, the present Minister of State for Finance gave the same rhetoric that he gave us yesterday. It is the same wonderful bonanza to the oil industry.

I want to correct the record, and I will be quoting some statements made two years ago when the National Energy Program was being discussed in committee. As you know, Mr. Speaker, there were eight weeks of intensive hearings. We tried to change something in the Act. The one important point we changed in the Act, I think, was Subsection 79(1), which in this Bill is Clause 1(1) and refers to the Federal Court. I would like to tell you the importance of that amendment that was brought in by the Conservative Party, Mr. Speaker. Prior to the time of its being introduced with the assistance of the Canadian Bar Association, it appeared that the final voice and decision would rest with the Minister of Energy, Mines and Resources. This frightened us because there was no higher court to which the oil industry could go. We insisted on an appeal to the Federal Court. What this Government is doing is adjusting the Clause. It is a technical adjustment. However, the reason the Federal Court is mentioned is that members of the Conservative Party who sat on this committee fought for that amendment throughout the eight-week period. I think it is very important. The fact that it comes under the same court as income tax appeals, I am not too sure about that after listening to all the rhetoric in the House about the attitude of Revenue Canada.

I recall the original National Energy Program very clearly. There was one thing on which we agreed with the Liberals and that was fairness, self-sufficiency and Canadianization. But first, the NEP was not fair. It was not fair to the West nor to the industrial heartland of Canada, Ontario and Quebec. As far as self-sufficiency is concerned, at the present time we are importing 33 per cent of our oil needs. Prior to the National Energy Program we were importing 25 per cent of our oil needs.

Mr. MacLaren: Those are net figures.

Mr. Fennell: I took the figures out of official documentation which the former Minister of Energy told us was the documentation he used.

Mr. Fisher: How much are we selling?

Mr. Fennell: They can argue over there, but I am using the same documentation the Minister told me he was using.

What we have in this Bill are back-in changes. I want to tell you how they came about, Mr. Speaker. Shortly after the energy hearings we were called to a meeting in Room 229 North by the Assistant Deputy Minister of Energy. After he went through all the changes in what we called "baby NEP", I asked what it amounted to. He answered that it amounted to a gross error in the black box, in other words, the computer printout had to be changed. There was no dramatic change. It