Petroleum Administration Act

The Conservatives do not have the luxury the NDP does of refusing to tell us what would happen if they were in government because they had that opportunity, and last December they set out in black and white—and I will refer to it—how much a gallon of gasoline would cost in Toronto under their policy in each of the next four years. In the budget brought down by the Minister of Finance (Mr. MacEachen) the national energy program was described, and in that program we also set out a price schedule of what prices for gasoline would prevail in my city during each of the next four years.

Mr. Siddon: How about heating oil too?

Mr. Kaplan: And heating oil. Across the board including heating oil, and I thank my hon. friend for mentioning it because I do not have time to give those figures.

Mr. Siddon: They are very significant.

Mr. Kaplan: Yes, they are, including heating oil. Energy costs for Canadian consumers over the next four years in all provinces will be \$40 billion less under the national energy program than they would have been if the Canadian people had continued to support the Conservative government in power to carry out the program it had in mind for the next four years for Canadians and which it put down in black and white.

Mr. Siddon: Table the calculations. That is not true.

Mr. Kaplan: The next Liberal speaker will provide the calculations on heating oil, but I can compare the demonstrated prices. It is too bad that the NDP has been unwilling to come across and tell us how it would deal with this very difficult problem. Comparing the 1979 budget to the national energy program of this government for Toronto at the city gate, gasoline consumers in 1981 would have paid under the Conservative budget \$1.56 and will pay under the national energy program \$1.36. In 1982 they would have been paying \$1.75. They will be paying \$1.53. In 1983 they would have been paying \$2.32 had the Conservatives continued in power. They will be paying \$1.71. In the fourth year they would have been paying per gallon \$2.63 if the Conservatives had stayed in power, but under the national energy program they will be paying \$1.95, a difference of nearly 75 cents. That represents a saving to consumers of \$40 billion. Listening to western spokesmen and reading the press, one might think that \$40 billion saving was coming from the money the provincial governments would otherwise have received.

However, as hon. members of this House know, such is not the case. It is not the intention of the national energy plan to reduce the take of the provincial governments substantially. In fact, the \$40 billion which they would have derived from the Conservative package is virtually the same amount as they will derive under the national energy plan of the Liberal government. The province of Alberta, which has a smaller population than metropolitan Toronto, will receive over the next four years an increase of \$31 billion; Saskatchewan, \$3.2 billion; and British Columbia, \$3.6 billion. I do not deny the feeling of

western alienation. I know it exists and that it is real, but it is obviously not legitimately based on this national energy plan because the plan gives the provincial governments almost exactly the same amount of money as they would have received under the Conservative budget.

Under this national energy plan the national interest is also taken into account. Money is provided—and I cannot take the time to deal with it—for subsidizing conversions from heating oil, for participating in exploration and development, for pipeline construction and facilitation, for incentives to industry, for alternative energy developments and for many other projects which have been outlined. The budget does take account of the national interest and does provide funding at the national level to encourage these things.

If the provinces do not lose and if the nation continues to benefit and consumers get a much better deal, it is reasonable to ask who is paying for all of this. Of course, the answer is obvious if we look at what has been happening on the stock exchanges lately in the oil and gas sector. There is no doubt that the oil and gas sector is not going to derive the benefits and the profits from the national energy plan that it would have derived from the Conservative plan. This is particularly true of the multinational sector. They will be getting less. The right question is not how much less they will be getting, because the amount they will be getting will continue to represent an incentive; a reasonable question is why this particular sector has been getting so much incentive from the government, why they have been paying so little federal tax over the last 40 and 45 years during which they have been in business in Canada. I think that is a more important and a more interesting question. The answer to that question really lies in our history. This is long before the time of nearly any member of the House, and I emphasize the word "nearly".

• (1640)

Mr. Knowles: Speak for yourself.

Mr. Kaplan: In those days, discoveries were made in the west and it was a question of encouraging their development, so incentives were provided which, in my opinion, seemed to have been modelled on what was going on in the United States. We have felt as a country that if we did not do as well by the oil and gas sector as the Americans did in their own country, they would not come here. Because we wanted them, because there was a premium on that kind of technology, know-how and capital, we were willing to provide a very sweet deal.

Well, I think we have to look at the national interest now, as the national energy program does, and provide incentives which are realistic and which, I submit, will be effective. I do not think the multinationals want to leave Canada. I think they will continue to receive benefits which will make it worth while for them to stay here. But we have changed the incentives in such a way that it is going to be better and there will be greater incentive for participation by Canadian interests. The more Canadian a business is, the more incentives it will have to remain and develop in the oil and gas field.