

The Budget—Mr. Lambert

come from is one of the reasons we have this tax. It would be far better, Mr. Speaker, to scrap the capital gains tax on lands used for farming purposes and give some priority to supporting the agriculture industry in the country, an industry which is facing such a tough time today and will as well in the years to come.

● (1240)

Mr. Ferguson: Mr. Speaker, I noted the comments of the Hon. Member and would remind him that prior to the imposition of the capital gains tax, representations were made by many farm organizations for the removal of the previous level of estate tax. As an alternative to that, they suggested a high capital gains tax. Little did they guess that we were heading into the high inflationary spiral of the 1970s.

The Hon. Member referred to Petro-Canada paying rates in excess of current market rates for supplies for drill ships, et cetera. Could he tell me if these are for exploration taking place in Canadian offshore regions or are they being paid by Petro-Canada International, which has formed a joint venture with British Petroleum to develop huge resources in the China Sea? It has contracts for Canadian technology and will use smaller Canadian companies, some from Alberta. This will provide jobs for Canadians. Do these rates reflect a higher level of risk in exploration work due to Canadian climatic conditions if they are in the Canadian offshore regions, or a higher level of risk in international waters as they work toward the development of these resources with British Petroleum in the contract with China?

Mr. Lambert: Mr. Speaker, I wonder where the Hon. Member got the kind of misinformation which would lead him to ask such questions. I am talking about the cost of ships PetroCan is using off the coast of Newfoundland. Newfoundland is no different from the North Sea as far as danger is concerned. Drill ships have been lost over there due to storms as well. I will find the article from which I got the information and let the Hon. Member have it. It refers to the rates being paid to Wolff, for instance, who is the darling friend of the Prime Minister (Mr. Trudeau), for the use of ships off the East Coast.

As far as what the Hon. Member has said about working with British Petroleum, I would remind him that this is a contract for work in the future off the coast of Nigeria and at some time, perhaps, off the coast of China. The Hon. Parliamentary Secretary cannot tell me that there is one piece of equipment belonging to PetroCan at work in those two fields. I seem to remember that PetroCan was going to develop Canadian resources, for the benefit of Canadians. If the Parliamentary Secretary can tell me what is the benefit to Canadians of a Canadian Crown corporation working at very high rates in Nigeria and China, I should like to know. We will not sell one barrel of oil to them at any time. How is that deemed to be within the purposes of that great God-saving operation known as PetroCan, the thing that the Liberal Party used to steal the 1980 election?

Mr. Ferguson: Mr. Speaker, with all due respect, I should like to suggest to the hon. gentleman that the Canadian operations being carried out in Senegal and Gambia reflect the high-risk international situation in those areas. The risk is due to international uncertainty. I would also suggest to him that if we look at the geographical location of PetroCan operations in the offshore of eastern Canada, we will find that there are areas with a higher degree of risk than others. For example, the area of Hibernia where the ice packs sometimes come down involves a higher cost than in other areas.

I would be delighted to receive the article to which the Hon. Member referred. I will follow the matter up and get all the information required to identify where this is taking place.

Mr. Keeper: Mr. Speaker, the Hon. Member speaks very critically of Petro-Canada. It is difficult for us to get any reading on the policies of the Conservative Party and what it would do if it gained office. I wonder if the Hon. Member is saying that if his Party got into office it would privatize Petro-Canada. Would it sell it off? Would this apply also to Suncor, which belongs to the Ontario Conservative Government? Would the same policy apply to other public corporations, whether they be CBC or any other? What is the Hon. Member's attitude toward Petro-Canada? Does he mean that a Conservative government formed by his Party would sell it off?

Mr. Lambert: Mr. Speaker, this question is merely a reflection of the oversimplification of particular questions by the NDP. Petro-Canada is here with us. We cannot tear it down, there are no two ways about that, any more than we can tear down that 54-storey white elephant in Calgary which serves as the central palace for PetroCan. It was built with the Hon. Member's dollars but there is no need for it in Calgary.

Be that as it may, at the present time Petro-Canada is not operating a well-run, competitive, private enterprise. It can afford a lot of excesses by reason of some of the concessions it obtains from government. Incidentally, the Hon. Member is way off base regarding Suncor. The Ontario Government owns only a piece of Suncor, which was entirely privately owned previously. It should be remembered that Suncor is a different oil company from Syncrude, but perhaps the Hon. Member is confused in that regard.

I am not the Conservative Party, Mr. Speaker, but I have my choices. It would be a good thing for the Canadian public if we axed many of these Crown corporations on the head; on the other hand, there are some that are useful. While I am critical of part of the operations of the CBC, for instance, I find that the level of programming, particularly in radio, is something in which I can take pleasure. But I am not going to be held responsible by my answers in this type of debate for the total policies of this Party, any more than I can hold the Hon. Member accountable for the policies of the New Democratic Party.

The Acting Speaker (Mr. Herbert): Debate.