

Petroleum Incentives Program Act

minister because he said he wanted to Canadianize the oil and gas industry.

The fact of the matter is that the nationalizing program is Canadianizing Williston, North Dakota; Denver, Colorado; Dallas, Texas; and a host of other cities. There are more Canadian-oil companies with offices in Denver, Colorado—that is, Canadian owned—than there were Canadian owned companies with offices in Calgary ten years ago. That is what we have done. We have Canadianized Denver with this marvelous Canadian-ownership program. That is the absurd thing we have done with this program.

The National Energy Program was based on the premise that the oil and gas industry was the big, fat cat that needed to be taxed. Well, this Petroleum Monitoring Agency shows that for the first six months of 1981 the petroleum industry earned 9.4 per cent on capital employed, in comparison with the manufacturing industry, which we all know is hard hit because it is located here in central Canada, an industry that earned 11 per cent on its capital employed. The petroleum industry earned 9.4 per cent; manufacturing, 11 per cent; and yet the petroleum industry is supposed to be the big, fat cat that can afford to pay the \$8 billion worth of taxes that are being extracted from that industry this year.

It is simply too much, Mr. Speaker, for one industry to cope with. As a consequence of that, we find 400 people laid off at Gulf; 600 laid off at Turbo; 150 so far from Dome—scads of companies which depend on the large companies, which service them, which depend on them, which are now out of business. Three quarters of the businesses in Nisko Industrial Park south of Calgary, which service the oil and gas industry, have gone out of business.

The busiest people in these communities are the trustees in bankruptcies. There is carnage as a result of the National Energy Program. But it is "out there", it is miles away from those geniuses sitting over there in Tunney's Pasture saying, "We know what is good for the oil industry, we know what is good."

Because it happens in Brooks, in Drayton Valley, in Red Deer, little towns like that do not mean a whole lot to these super-intelligent gurus in their palace at Tunney's Pasture. It does not get attention, and the minister can do as he did earlier, stand up and claim what a wonderful thing he is doing. Well, I wonder how many of those 150 who got their lay-off notices from Dome Petroleum think he is doing a wonderful job. And how about those 170 young engineers, geologists and geophysicists who had job offers from Dome that they expected to take up in about two weeks when they finished their examinations, only to find they were withdrawn at the last minute? I wonder how many of those young Canadians are going to say: "Gee, you are right, Mr. Minister, you are doing such a great job for us and for Canada." How many of those are for Canadianization?

The minister read his telegram, Mr. Speaker. Let me read a letter. It is not a letter addressed to me, actually, but to Mr. Norman MacLeod, President of the Liberal Party of Canada. A copy was sent to me. A copy was sent to the Minister of

Energy, Mines and Resources as well. Gane Petroleum Corporation Ltd. is the name of this company. The president is Dr. Norman Fischbuck. He says in his letter:

Your Party has had ample opportunity . . . to Canadianize our oil industry as was demonstrated by concerned citizens in 1973-1976 when the Committee for an Independent Canada submitted a petition of over 700,000 names for Mr. Trudeau to take action before oil prices rose. What was done? Nothing. Now when oil prices are astronomical the taxpayer has to foot the bill for Canadianization through nationalization.

As our Company scrambles around to stave off bankruptcy by drilling in the U.S. we see our Alberta reserves, that are shut-in of course, shrivelling in value daily. On the one hand we see . . . Petro-Canada receive concession after concession and on the other hand big government takes a bigger and bigger slice of our meager earnings. The ultimate result is obvious—our oil industry will soon consist of:

- (a) one or two large Canadian companies,
- (b) the multinationals (they always survive because of lobby-power and by shifting money from one country to another),
- (c) Petro-Canada, and
- (d) even more direct intervention by the Government itself.

The president of this company, Mr. Speaker, Dr. Norman Fischbuck, was chairman of the Calgary section of the Committee for an Independent Canada. His credentials as a Canadian nationalist are as good as those of anyone in the House. He believes in Canada, he believes in Canadian ownership, he proved it by getting involved in an organization ten years ago that tried to do something. He feels offended, enraged, to find this Minister of Energy, Mines and Resources standing up, destroying his company, in the name of Canadianization. Canadianization has become a swear word to a man who considers himself a Canadian nationalist and who wanted to see something done about the high degree of foreign ownership. He has been abused, he feels abused by this country. The minister says: "Ah, we are doing great things for Canadianization."

Let me read you this little story, from *The Calgary Herald* of April 3, 1982:

A Canadian oil company which has operated almost exclusively in Alberta for 11 years is moving its entire operation to the United States—and government energy policies are the main reason for its decision.

"We don't see the economic and political climate here to be conducive to our investing money in Canada," Larry Krause, vice-president of Seaward Resources Ltd., said Friday.

● (1910)

Even though Seaward is 80-per-cent Canadian-owned and qualifies for maximum government incentives in Canadian drilling programs, Krause said, the U.S. is still a more attractive place to do business.

"The thrust of Canadian policies is in the frontier . . . areas . . . It doesn't do anything for an independent company."

"We feel at least we can market natural gas in the U.S. and there is a spirit of co-operation between the government and the industry."

Seaward was prompted to shut down its Canadian operations after operating a U.S. subsidiary, Seaward Resources Inc., for three years.

The program the minister is touting as a great panacea to help Canadians and to Canadianize our oil and gas industries has driven these Canadians out of Canada. How does that benefit Canada? How do we benefit from this small oil company's being driven out of Canada? Would somebody please explain how a Liberal can stand up and say we are