

ever stage it is done. Not only that, but the terms of that working interest should be negotiated because when a company becomes a working partner a decision has to be made on who will operate the well. Will it be the government or the other partner? No allocation of duties in this regard is set down.

Moreover, this amendment suggests that if the two or three partners, or however many there are, and the government, cannot agree on working terms, then they should go to independent arbitration. All we are asking for is fairness to the other partners in the case of the confiscation of their discovery.

I should like to discuss this free ride which the government will now get, this 25 per cent confiscation of energy discoveries on Canada lands. Just who will be affected? The government will take 25 per cent of all oil discoveries. Will that affect the multinationals? That is what the Minister of Energy, Mines and Resources would like us to believe, but nothing is further from the truth. It will not affect the multinationals, and hon. members opposite should understand that. The multinationals have to spread their assets and their business all over the world; that is why they are multinationals. They do not want to be established in only one country or put all their eggs in one basket. When conditions in one country are not favourable, they simply move their funds to another country. That does not mean to say they move out of that particular country, but they do not do any more exploration than they have to. That is what is happening now in Canada. The multinationals are moving to Australia, for example, and are doing more work in the United States than they used to.

The companies being hurt by this 25 per cent confiscation are the independents. Many of these small Canadian companies started out ten years ago. If hon. members opposite would look at the history of the independents, they would see that most of them were privately owned then. Some had difficulty raising capital so they merged with others and became public companies. Between 1972 and 1979 there was a tremendous expansion in the number of independent companies and these are the ones that are being hurt by this policy—not the multinationals. The multinationals can out-wait governments. They do not need to put their money in Canada. It does not matter to a multinational if it puts \$100 million, more or less, into Canada; that would not alter its cash flow to any great degree, but the independents, which for the most part are one tenth or less the size of most multinationals, will be badly hurt by this bill. In the last ten years they have tended to band together to go into the Canada lands. They used to go in as minority shareholders, sometimes with the major oil companies like Dome or Panarctic Oils, and other such companies. Now some of them are moving their technical staff and funds to the United States or Australia. We will continue to relate the real problem to hon. members opposite. The action in the next five years will be in Australia.

It does not give me any pleasure, Mr. Speaker, to tell the House that there is a small independent oil company in Calgary which will go broke this week. This sad story was related to me by an individual who told me that he will inform

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his staff next week that the company is going to fold. He said, "I have been a Liberal all my life. I have supported the Liberals and gone to all the fund-raising dinners, and what did I get out of it? Nothing". He has to lay off his staff and the money he will recover from the sale of properties will be moved out of the country. It is sad that this man has to uproot his family either to the United States or Australia.

The effects of this 25 per cent confiscation have been well recorded in the exodus of the rigs. Last summer when my wife and I drove through Coutts, Alberta, we stopped just 100 feet over the border. We could hardly believe all the trucks we saw sitting by the roadside. We had heard about the rigs going south but it is hard to visualize it from this distance. I counted 60 semi-trailers and I was told that they used to be backed up for two or three miles. Next day, in Calgary, I asked someone in the oil business why this was happening, and I was told that they were not allowed to go to the border in such numbers any more. They had to make all their arrangements in Calgary so that when they got to the border they would have, at most, a two-day stay. So the transfers were arranged in Calgary and when the trucks got to the border they would have only one or two nights to stay before they went across the border.

Earlier this year it was noted in this House that one year ago there were approximately 580 rigs in Canada, of which 450 were working. At the present time there are 430 rigs, of which 240 are working. It must be remembered that in that period of time 100 rigs were built.

Unfortunately, this government still believes that its decision to nationalize the oil industry was the correct one, even if that means the independent oil companies will suffer. This means Canadian oil companies, because not one American company will fail and not one European oil company will fail. Only Canadian companies will fail. What does it mean? It means lost jobs in western Canada.

● (2130)

I know a plumber who had 20 plumbers working for him but he now has only five. We have a government here which says it wants to help small business. It does not want to help small business, it wants to nationalize the oil industry. That is the design of this Prime Minister (Mr. Trudeau) and of this government. They want to nationalize the whole oil industry and they can only do it step by step.

There will be no such thing as oil self-sufficiency in Canada by 1990—we will not have it. The National Energy Board has told this government we will not have oil self-sufficiency by 1990. International economists have told the government there will be no oil self-sufficiency in Canada by 1990. This government refuses to believe them.

Twenty-five per cent interest held by the government of all exploration in Canada lands is nothing more than confiscation. This government is nothing but a group of thieves, stealing in the night, taking over things they cannot legally take over or do not have the money to buy. To say the least, this is terrible legislation and it is ridiculous that we are spending our time talking about the confiscation of an industry when we should