

*Income Tax*

experts in whom the government and the opposition have so much confidence. In December, 1974, six months later, the cost had risen to \$2 billion. That increase represents an inflation rate, in six months, of 170 per cent or a seasonally adjusted rate—we are so fond of talking about seasonally adjusted rates—of 340 per cent. That is not a bad inflation rate for free enterprise, for Exxon and all the other big boys.

Last weekend I was in Alberta speaking to the president of the Federation of Labour. He, on behalf of his association, had presented a brief to Premier Lougheed of Alberta. He spoke about the incredible jump in the cost, from \$846 million to \$2 billion, which had taken place in six months. He told me that Premier Lougheed looked at him and said, "That was the price in December. Now it might be \$2.2 billion or \$2.3 billion." Where will it end?

The Government of Canada has committed \$300 million or more of public funds on the basis of an estimated \$2 billion cost. The cost of the project has gone up by several hundred per cent in the last two years. The government's commitment is open-ended. According to the minister and the President of the Treasury Board (Mr. Chrétien), the government is committed to 15 per cent. By 1978 the cost of the project could rise to over \$4 billion. How much public money will be paid into it? What will farmers and workers from my area, from Toronto or from Sault Ste. Marie and other parts of this country be paying for that oil? It might cost even more than the crude they are buying from Venezuela and the Middle East. What dividends will accrue to the Canadian people? The government does not have a controlling vote on the board; it has a minority interest in the venture. Our government is committed to the corporate system in this country, but how much has it secured for the Canadian people?

The government does not have available studies of its own. Ministers say, "In a few days we shall see the studies undertaken by the Alberta government and we will know more about Syncrude." But already they have made the commitment. The Syncrude people themselves do not know how much the plant will cost; they haven't a clue. They haven't a clue what kind of dividends will accrue to the Canadian people for the money we are putting up. That this is so is a strong indictment of government policies. We need in this country public ownership of resources. They belong, not to Exxon, not to Inco, not to Gulf Oil but to the people of Canada and they should be developed for and by the people of this country. If this can be done in Mexico, Iran and other small states, it can be done in Canada.

**Mr. Bawden:** But do you want socialism in this country?

**Mr. Nystrom:** My party believes in democratic socialism. That, I suggest, is what more and more Canadians want. They are in favour of our resources being developed publicly. Many Liberal ministers agree to such sentiments when you talk to them privately. Why do they not speak out in cabinet; why do they not develop the intestinal fortitude to put their mouths where their sentiments really are? The Canadian people want the resources of this country to be developed publicly and not by private corporations, particularly as many of our resources are foreign-owned and controlled.

People ask, where will the money come from if the government is to develop our resources? Where will the money come from if Exxon, Gulf and Cities Service develop the tar sands? Much of it will be borrowed from Canadian banks. What will these companies do with the profits they will make from selling this oil to the Canadian consumer? The money to develop the tar sands will be found in any event, but it will still be our money and we shall buy from the oil companies a resource whose development we have financed. But the companies will take their profits and invest them in the North Sea or perhaps in the oil shale in Colorado. The government can develop this resource just as the Conservative government developed hydroelectricity in Ontario and the Social Credit government developed hydroelectricity in British Columbia. Our gas and oil should be treated as a public utility to be provided to Canadians at the lowest possible cost. If we develop our resources ourselves we shall ensure proper conservation because they will be developed for the Canadian people and not to make profits for Exxon or any other corporation. We can do it. It has been done in almost every other country, and if they can do it so can we.

For the benefit of the hon. member for Nipissing (Mr. Blais) let me say, in case he does not know, that this bill also deals with the non-deductibility of royalties. Without consulting the provinces, the Prime Minister (Mr. Trudeau) has broken the agreement he made with the premiers of the provinces by disallowing the deductibility of royalties.

● (1620)

**Mr. Blais:** Mr. Speaker, I rise on a question of privilege. I simply wish to point out that I represent the constituency of Nipissing. I also wish to point out that the speech the hon. member is now making is essentially the same as the one he made during the debate on Bill C-32, which by collateral application also applies to the speech he is presently making.

**Mr. Deputy Speaker:** I would ask the hon. member to state his question of privilege. Otherwise I will have to call on the hon. member to complete his remarks.

**An hon. Member:** Haven't you gotten into enough trouble today?

**Mr. Blais:** I hear some comments from the peanut gallery. I made a speech on Bill C-32 which negated most of the arguments the hon. member for Yorkton-Melville (Mr. Nystrom) is making at this time. I participated at that time on behalf of my constituents. I challenge any member of the New Democratic Party to equal my contribution in that regard.

**Mr. Deputy Speaker:** I understand some of the reaction of the hon. member, but I am sure he does not want to take up the precious time of the House on remarks or comments on points of disagreement for which he can seek the floor in due time. I do not think the hon. member should take advantage of questions of privilege or points of order to prevent the hon. member for Yorkton-Melville (Mr. Nystrom) completing his remarks.