

Oil Export Tax

sands. They will say the only way we can do it quickly is to give to the multinational corporations special tax concessions, the right to export the oil, to tell the American and other international oil companies: if you will come in and do us the great favour of developing our oil sands, we will let you take the oil back home and we will let you control the oil industry in Canada. If we do that, we will have betrayed our trust, not only to this generation but to future generations.

● (1620)

Mr. Bawden: What did you do in Saskatchewan?

Mr. Douglas: I can tell the hon. member what they have done in Saskatchewan. They had the courage to do something that no Tory government has ever had the courage to do. They have set up a provincial petroleum company. They have told the oil companies: You will get \$3.38 a barrel providing you spend 30 cents a barrel on development, and the rest will go into the treasury of the province of Saskatchewan to help develop oil resources for the future. When any Tory government in Canada is prepared to do that, in my opinion they will have justified themselves. But I do not see any indication of their doing that.

Some hon. Members: Hear, hear!

Mr. Douglas: May I close by saying that if I understand the minister correctly, he is suggesting that the export tax that is set out in Part II of the bill be extended to cover the months of February and March, and that the amount of the tax will be \$6.40 a barrel. He is suggesting that Part I of the bill dealing with the export charge will be withdrawn. He is suggesting that the division of the export tax, namely, 50 per cent to the oil producing provinces, will be continued. The only proviso he is making is that in the months of February and March the federal government make no commitment as to what disposition will be made of its 50 per cent. That is understandable in view of the fact that the minister is going into a conference with first ministers, and I take it this is a matter for negotiation and discussion.

I think that is an eminently sensible proposal. I think it does the things which we advocated last Thursday, namely that we approve the export tax, that we make that export tax effective until the end of March, and that in the meantime we defer the export charge until after the first minister's conference at which time the Minister of Finance, if he so desires, can bring that legislation back to the House. At that time, we will be in a better position to discuss it because the minister will be able to give us the information which he is not able to give us at present. My colleagues and I would be prepared to follow the course which the minister has outlined.

[Translation]

Mr. Matte: Mr. Chairman, I do not want to repeat the remarks I made when this bill was introduced. However it remains that a bill dealing with provincial interests obviously requires the agreement of the provinces.

In view of the fact that oil production is concentrated in one or two provinces and that we have a problem to settle urgently there is some danger, as I said last Thursday, that a crisis situation is exploited to create precedents which

[Mr. Douglas.]

we might regret later on. If next year or in two or three years oil wells were operated in the province of Quebec for instance I wonder what would happen if such a bill were adopted. This could very well happen since it seems that if we are short of oil today this is simply due to the negligence of oil companies which have not made the required efforts to develop oil operations in Quebec. Some day we might find ourselves in a situation where not only one or two provinces would have oil but several provinces. Then will all the provinces behave similarly as regards this bill? It was therefore absolutely normal to have the provincial agreement and to negotiate with the provinces a true agreement free from any problem.

Naturally we understand the intent of this bill which however, is not quite explicit and we deplore that we have to admit a certain price uniformity for oil throughout the country. Of course, that is a goal that should be reached. Are we going to reach it through this exercise? Some have doubts about it but once again it is worth repeating that if we are faced with such a situation it is because the government lacked wisdom, foresight, to say the least, since it is quite paradoxical to have an oil shortage in a country such as ours which is itself an oil producing country. We are still wondering how can such a situation arise.

We realize that it is now urgent to try to remedy that but it is also worth pointing out that a lot more foresight should always be present since that is the role of a government. That is why too great haste implementing such a bill could subsequently result in a lack of wisdom and foresight.

Mr. Chairman, everyone understands that in all parts of this country, whether it be the west or the east, it is extremely important that all Canadians have the same facilities, the same possibilities and, as the hon. member who spoke before me, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), said, it is entirely unacceptable to have different prices in the eastern and western parts of this country. But this government seems to accept that situation, and it does so not only in this field since it exists in others as well. For example, I have here an editorial published in the December release of the magazine *Le meunier québécois* where Mr. René Blanchard relate those differences in prices in the fields of oil and feed grains. Apparently this government likes to foster inequality within our country, which is clearly detrimental to understanding and unity among Canadians. In order to spare the House's time, I shall give a summary of the editorial. The author points out that the two price policy is causing ever more dissatisfaction among Canadians. They will not accept this policy any longer. That is why, as the author states in his conclusion, if we make the necessary efforts to come up with a single price for oil, we could certainly do the same for feed grains, for instance, and wherever necessary resources are readily available. This way we could favour an adequate distribution of goods throughout our country, and not at the expense of such and such regions.

That is why, Mr. Chairman, we hesitated considerably about the bill, and we will be satisfied with the policies put forth on the matter only to the extent where the opinions of the provinces have been considered, in order