

will get over that. When I was here for the first year, I thought I was Napoleon".

It seems to me that when we hear the minister say "We would resolve the nation's energy problem in all its dimension," he has somewhat of a Napoleonic complex, especially since he is so inconsistent and hypocritical on gas policy. I have to say that. Look at the evidence. This is the government which agreed to sell out huge quantities of Canadian gas on the pre-build of the Alaska pipeline. This is the government which is negotiating with New York now about sales to the eastern states, including New Hampshire. This is the government which is prepared to encourage Dome Petroleum—and I asked a question about this in the House the other day—to sell more Canadian natural gas to Japan. Even the minister's own statement in "The National Energy Program" document talks about more and more gas exports. Yet this is the same government that says in the next breath we have to move off oil to natural gas. Is there not a fallacy there, Mr. Speaker? Is it not likely that all the good cheap gas will be gone by the time provinces such as Ontario and Quebec are ready to use Canadian gas and at that time these provinces will have to pay more? The government is inconsistent in its policy.

There is nothing in the budget about the north, not one word about it. One can see that the industrial system will ultimately require the gas of the Arctic, but we must protect the northern environment. Above all else, we must honour the legitimate claims and aspirations of the native people. There is not one word about this side of the coin, we only hear of Arctic development.

● (1750)

I come to Canadianization. The minister, in a remarkable statement at his press conference, said, "I wish we had done this ten years ago." But who welcomed American capital with open arms? Who established those policies? This is where one can really describe the budget as basically a fake to the left and a hard punch to the right. If you look at it, you will see it right here.

What do we get under Canadianization? We get grants and incentives for Canadian companies. Let me give an example. Under the new system, if you wish to drill an oil well in the north, and it cost \$10 million, the Canadian people will pay \$9 million of it and they get nothing back. Here is how it works. Eighty per cent of the \$10 million will be given as a grant, which is \$8 million. Then there will be 100 per cent write-off for exploration. At the nominal corporate tax rate of 10 per cent, that is an additional \$1 million. So, the Canadian people are paying \$9 million and Bob Blair, Jack Gallagher or Conrad Black, the Canadian capitalists, are getting the benefits. What kind of progressive system is that?

There is a new book which I am sure all members have read called "The Northern Magus" by Richard Gwyn. On page 57 he quotes the Prime Minister (Mr. Trudeau) as saying, some time ago:

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A sound economic policy must never be based on the assumption, for example, that workers would be ready to accept a drastic lowering of standards of living for the mere pleasure of seeing a national middle class replacing a foreign one at the helm of various enterprises.

What has the minister done? He has replaced one economic elite, a foreign one, with a domestic one. That will not help the ordinary family on Renfrew Street, not at all.

This Canadianization idea is not new. Here is what the Prime Minister said in Sault Ste. Marie on June 29, 1974:

A re-elected Liberal government would set a priority objective requiring that all new major investments in resource industries have at least 50 per cent—and preferably 60 per cent—Canadian equity ownership.

That is a wonderful statement. I salute the Prime Minister of 1974. The only problem is this is 1980. What has happened is this: since 1974 we have experienced a 4 per cent increase in Canadian ownership. That is one per cent a year. At this rate, it will take until 2001 to patriate Canadian ownership. The message that comes to me and which I pass on to the government is: we simply do not believe you; you are really not going to do anything about Canadianizing the industry.

The other issue I wish to address is public ownership. There is no greater challenge in Canada to my generation and to the whole country, than the matter of taking the oil industry under public ownership. The people support this. The *Toronto Star* certainly does. I know the people of this country support it. That is the challenge.

What is the response from this budget? This is the fake to the left. Look at the response. There is no definition of the way in which companies are to be taken over. There are no specifics concerning which companies. And who is going to end up paying for it? The Canadian consumer. In short, there is nothing there. Maybe we will be pleasantly surprised—I leave that open to the government. However, a government that really wanted to be honest and straightforward would come right out and give a plan, as we have, to take over public ownership of the three largest companies, Imperial, Shell and Texaco.

In conclusion, there is a conventional wisdom which says the trend in North America is to the right. I think conventional wisdom is wrong in this case. The trend is toward social democracy and reindustrialization which will create jobs, stimulate exports, modernize aging industrial plants in the east and create new ones in the west besides nurturing new ideas which private enterprise is too timid to pursue.

I put this to the Minister of Finance who is sitting right across from me in the House of Commons; why couldn't the government show some real leadership and say to the people, to this family on Renfrew Street and to all similar families in Canada, yes, the price of energy will go but we will give you a cost of living tax credit or a grant to those retired or on government assistance. Why did they not say yes, we will guarantee your son or daughter a job. Also, to reassure those living in the west, why did they not say: we are prepared to see western development carried out with the active involvement of westerners. Or, to those in the east; we are prepared to ensure you will not get thrown out of a job at the next plant