

*Petro-Canada*

company. But when it is paid, the people of the United Kingdom share to the extent of 45 per cent to 55 per cent of the gross. This is the type of financing proposal which could be applied not only to new oil and gas areas but also to the capital-intensive mining industry and other capital-intensive industries in the manufacturing sector.

This type of proposal has received great consideration, as I said, from the large oil companies and they are willing to go along with it, but there has been no reaction of a positive nature from this government except that the Minister of Finance (Mr. Turner) said that type of technique is not used now. This type of magpie reaction, the thinking that the government only uses ideas which come from its own experts and it will not do anything new, is not the way to build this nation. It is not the way to adapt the new circumstances of high costs, high interest rates and particularly the shortage of capital in a nation which is just starting the development of its resources.

The advantage of this type of financing is that the rate of capital use is speeded up three or four times. If the capital is used three or four times under this quick repayment technique, that is the same as having three or four times the amount of capital. If Canada as a nation were to adopt this technique, we would not only have enough money to finance the hundreds of billions of dollars of capital investment we will have to make in the next 25 years, but we would be able to export capital to other countries which need it even more than we do.

This is the type of thing I would like the Canadian government to do. It is a much better alternative than taxing the people \$2 billion to set up a company, collecting a group of green people and some experienced people in the hope that in 15 or 20 years we will have new sources of production. I suggest that a new form of financing should be offered to the industry which would achieve more rapid results at much less cost. The present cost of financing a tar sands operation is about \$11 per barrel. If it is done the way I have proposed, using the figures of the oil companies themselves it would be no more than \$3 per barrel. This government, the government of Alberta and all the other governments are forcing consumers to pay a cost structure of \$11 per barrel, when if it were done properly the cost structure would be \$3. That is the significance of my alternative.

Finally, I have a fifth alternative which I think would do more good for the people. It could be done immediately if the Minister of Finance, with the support of the Minister of Energy, Mines and Resources (Mr. Macdonald), told the government to end the war on the provinces over the question of taxation of resources. There would again be movement in all the provinces. Nothing is happening in British Columbia because of this war. Where the tax liability of the two levels of government in a confrontation position is greater than 100 per cent, there cannot be investment, and under those circumstances it is no use asking Canadians to invest in resource industries.

Those are five alternatives any one of which would be superior to the fraudulent action we are taking today in pretending that we are doing something. The only argument for this type of thing is that half a dozen countries have similar national companies. There are two American senators proposing one, and other countries are proposing

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

one to keep up with the Joneses. I might put it in the form of a very simple analogy: if there are five big trout in the stream, all this government will be doing over the next 15 or 20 years is adding another big trout to the stream. Will that add to the wealth of the stream? I do not think so, and I say it is time we began thinking about Canada.

I know that this whole exercise started as a result of a political partisanship quarrel. In 1973 when oil prices began to move up, the minister announced that we should go to world prices. Then he realized that he could have a beautiful fight with the province of Alberta by advocating lower prices. He and the Prime Minister (Mr. Trudeau) have changed their minds again and now advocate higher prices. This time they are fighting Ontario. Is it not about time we stopped thinking about fighting the provinces for political reasons, and started thinking about Canada?

The alternatives I have listed are sensible and possible but, above all, there is another alternative which I have not mentioned. We have available from our scientists and engineers, for almost peanuts in expenditure, renewable, non-polluting forms of energy as old as the world. New technology could bring these non-polluting, renewable forms of energy on stream in less than a decade, at less cost than applies to oil and gas now.

Those are a few little bits of impetus—just a few things to get us moving in this direction. Last year the government paid a person \$54,000 because he had enough brains to put solar heating into his house and it paid off. Consider all the other ideas which come flooding into my office every day. There is a tax law in the United States which in effect prohibits companies from using waste oil. We use oil in our cars and after 2,000 or 3,000 miles we change it. All the technology to clean up that oil and to use it again and again has been there for 40 years. In the United States this amounts to one billion gallons per year, yet we have tax laws which prohibit or limit that type of activity. I simply say, let us have a tax credit for people who re-use oil. Let us give that type of incentive for private industry to start conserving oil.

I could go on, as I have in other speeches, and list any number of alternative proposals. I look upon Petro-Can as a betrayal of Canadian nationalism and as a fraudulent device to try to fool people that they are getting real value for their money. I am a Canadian nationalist, and instead of this concept of putting one more trout in the stream I would like to see much less Canadian money put into owning all the trout in the stream. When we face the country on this issue, I am sure that the vast majority of Canadians will believe the doctrine that they should own their resources, but as individuals and not as the state.

● (1540)

**Mr. Maurice Foster (Parliamentary Secretary to Minister of Energy, Mines and Resources):** Mr. Speaker, I welcome the opportunity to join in this final debate on the Petro-Can bill. It certainly has been a long one, with miles and miles of political verbiage, especially from the official opposition, in the House on second reading and in committee where we had close to two dozen meetings. The last remark of the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) that the Petro-Canada corporation is a betrayal of Canadian nationalism is one of the silliest