

Income Tax Act

if you computerize it right down the line from the little man in the steel factory to the man who is helping to ship the pipe west to build the pipelines. That is what I am talking about when I talk about the resource industry. That is why I am discussing the very serious social question of resources tonight in an atmosphere where it is very difficult to get answers.

This is what the parliamentary secretary has said on this subject, Mr. Chairman—and this is the last point I wish to make. First of all, he has said that most of the law will be written by regulations. He should read the life story of Mackenzie King if he wants to be a great Liberal. Mackenzie King said, "You should know the law as you sit; you should know the law as you run; you should know the law as you walk". Mr. Chairman, we don't even know what the law will be until the bill is passed and some cabinet minister sits down and creates regulations and a climate for industry in western Canada. It will be a law which Parliament can never be allowed to debate. Nor will Parliament be able to discuss the regulations which flow from this socialist bible.

• (9:30 p.m.)

This bill is a socialist document. Its regulations will crush and stagnate the economy. It is a bill that is not being debated in a House where 90 per cent of its members do not understand its significance. This is why it is so important that the bill be divided. We do not even know what the law is going to be that affects one of the great resources of western Canada. Neither do we know, nor have we bothered to find out in the haste of the government to push the bill through, what the law on depletion is in the United States, Great Britain or France.

The parliamentary secretary says that does not matter, that this is Canada and we are making laws for Canadians. He says it does not matter whether the United States out-depletes us, whether France out-depletes us, whether Great Britain out-depletes us or whether Japan out-depletes us. The government is using the cod liver oil treatment. They pour the oil into our mouths and we have to like it or lump it. That is what closure is all about, and this is happening to Canada. Parliament is being gagged. We do not know what is the law and we cannot find out what it is. Even the Canadian Bar Association and groups of chartered accountants say this bill is so complex that they cannot understand it.

Mr. Osler: Would the hon. member permit a question?

The Chairman: Order, please. The hon. member may ask a question if the hon. member who has the floor agrees.

Mr. Woolliams: Mr. Chairman, I wish to be polite and courteous to the hon. member, but whenever he has interrupted others on this side who have spoken thus far he has always tried to play politics. If the hon. member wants to ask me a question with regard to something I have said, then I will answer him. If he has another of his nonsensical, political questions that has no relation to anything, then I will not answer him.

Mr. Osler: Mr. Chairman, I appreciate the hon. member's point and I will take care to stick to it because he has made a very good point. In view of the fact that time is so

limited and that gas seems to be in limited supply, is it possible to get on to the subject matter of this bill at this time?

The Chairman: Order, please. The Chair has listened throughout the debate in committee of the whole fairly carefully. The committee must remember that we are discussing a group of sections, and hon. members will recall that it has been the practice in committee to let discussion range within the group under discussion. With respect, I think the hon. member is relevant and I ask him to continue his remarks.

Mr. Woolliams: Thank you, Mr. Chairman. In view of your remarks I shall ignore the question. Having expected that type of question I am not disappointed, and when one is not disappointed one cannot help but feel happy.

Mr. Alexander: It is exhilarating.

Mr. Woolliams: Yes, it is exhilarating. A glance at the new tax amendments and regulations within Bill C-259 raises the question—what are these measures going to achieve in the energy sector of the economy? I say that they will achieve stagnation. There will be no more exploration, particularly in time of demand. According to the formula used by the National Energy Board, there is a demand for accelerated exploration and a need to double our reserves of energy. This formula is costing western Canada \$1.5 billion, which is a lot of money.

One conclusion is obvious: the proposed tax amendments will severely restrict, and are presently restricting, our oil and gas industries at a time when every attempt must be made to keep them healthy and expanding and to maintain an expanding economy. To carry this conclusion further, will these proposed tax changes be the foundation upon which to construct a comprehensive energy policy to meet the energy requirements not only of this nation but of the export market? Predictions for the remainder of this decade suggest that the demand for mineral and energy resources will escalate at an unprecedented rate. By 1980 the United States, it is suggested, will consume—as I pointed out the other night—over 80 per cent of the world's production of mineral and energy resources. Canada, as a result of its proximity and close affiliation to United States markets, must formulate a Canadian resource policy. Part of that policy is a sound tax law in order to stimulate the growth of corporations, a growth that will bring fuller employment of labour.

Although a continental energy policy has been proposed, no one really understands it. This may be a side issue, but anyone who links the export of water to natural gas or crude petroleum would be mistaken. I would be the first to oppose such a relationship. We are living in the age of petroleum resources. There is a time to use these resources, as there was a time to use energy in the form of coal. But we are now moving into a new era, the nuclear age. I shall have something further to say on other sections, but on that tone I draw my remarks to a conclusion since the Chairman has been very gracious in allowing me a few extra minutes.

Mr. Mahoney: Mr. Chairman, since the hon. member was speaking on section 65 and on depletion allowances, I wonder whether he would expand on the rationale of his