

Canada Oil and Gas Act

er, in as sensitive an area as that of oil, at a time when we are all at the mercy of what I could call the vulnerability of supplies, there are no easy solutions or compromises. Whoever would dare claim the contrary would merely prove unrealistic.

If money is the sinews of war, one may rightly say that more and more oil is the sinews of the economy. That is why a national economy cannot be cast adrift at the mercy of a few individuals' greedy and short-lived interests. Those who take a long-term view of this country will readily accept our government's policy. The abortive government which preceded us, in order to prove conciliatory, accommodating, was ready to give the very shirt off its back. Besides, that is what it had started to do in some areas. We have seen the results. The provinces soon became more greedy and demanding. Luckily, we came to the rescue of the government on a certain December 15, otherwise that government would have lost not only its shirt but also its pants. Yes, Mr. Speaker, while the population would have been led to believe that the government was a good sport, the powerful companies for their part would have simply run the show.

But that is not the way this government sees it. Yet, what have we been hearing since last February, since we have returned to power? We have been hearing that the oil companies and the producing provinces are ill-used. Yet, these companies all made fantastic profits after taxes last year, and projections for this year show a more than reasonable rate of return. And what about poor victimized Alberta? In the 1980-1990 decade, Alberta will make approximately \$100 billion, the equivalent of some \$50,000 per capita.

The economy of that province has grown by leaps and bounds in the last seven years. Last year, its gross internal product increased by 44 per cent, or almost 70 per cent more than the national average. There is now approximately \$8 billion in the Alberta Heritage Fund. Those who accuse the Canadian government of wanting to take over everything that does not belong to it should be reminded of the terms of the constitution regarding natural resources. Indeed, Mr. Speaker, that is what the constitution says about natural resources. Let us make it clear. Some people think that the Canadian government has no more rights in this country, that everything that suddenly becomes profitable necessarily comes under provincial jurisdiction. Well, according to the constitution, resources do belong to the provinces which may set prices internally, but when it comes to selling to another province or another country, then the federal government may and must set prices, because the national interest is at stake. Why was such an arrangement acceptable when it was in Alberta's favour? It must be kept in mind, Mr. Speaker, that the federal government controls interprovincial and international trade.

In order to clear up matters, one should take a look back. Of course, it is quite human to forget favors received and to remember mostly those granted. The Alberta premier should remember what happened in the past when the Canadian

people and their national government played a major role in promoting development of the oil and gas industry. Indeed, although it may seem paradoxical, oil sales had to be promoted in the past. Everyone remembers when oil furnaces were advertised on television. Oil marketing studies were conducted. The situation is now completely reversed. To support and develop the Alberta oil industry between 1961 and 1973, Canadian consumers west of the Ottawa Valley had to pay up to 35 per cent more for their oil than the international price or the price of imported oil. Strangely enough, the Alberta premier seems to have already forgotten this 35 per cent surcharge. As a matter of fact, he said the following to his fellow citizens on October 30 last:

It is thanks to the entrepreneurship, the creativity and the leadership of Albertans who are working relentlessly to develop this resource which is very important for all of Canada.

I should like the Alberta premier to note that the people of Alberta worked jointly with other Canadians to develop the oil industry. Capital came from every area of Canada. It was a joint effort and the federal government played a major role by creating a favourable climate for investments through very generous tax incentives. At least 50 per cent of all investments made in new exploration and oil related expenditures are probably due to these policies. This is what all Canadians have contributed through their national government. These incentives were much more generous than those offered to other industries. In addition, as I said earlier, when there was an oil surplus in the sixties, there were TV commercials—

● (1630)

[English]

Mr. Shields: Mr. Speaker, I rise on a point of order. I understood that we were discussing Bill C-48, but my hon. friend across the way seems to be Alberta-bashing and discussing, basically, the development of the oil industry in Alberta, and I just wonder if that is in order.

[Translation]

Mr. Deputy Speaker: Order. I would like the hon. member who now has the floor to take note of the remarks made by the hon. member for Athabasca (Mr. Shields).

Mr. Tousignant: Thank you, Mr. Speaker. I thought that my remarks were quite relevant to the matter under discussion and the hon. member opposite is simply trying to evade the question and distort the facts. Of course the facts have to be stated as they stand in order to discuss the energy policy in Canada.

An hon. Member: Nothing ever pleases that fellow.

Mr. Tousignant: Yet, Mr. Speaker, that was the contribution made by all Canadians through their national government. These incentives were much more generous, as I mentioned earlier, than those offered to other industries. During the sixties attempts were made to find markets for oil and while