

Canada Oil and Gas Act

I fail to see how that would help Canada or the Canadian consumers. The Liberal policy of paying world price for imported oil costs Canadians \$500,000 per hour.

On June 3 of this year consumers were dealt a double whammy. The special tax implemented because of the Alberta cuts was increased by \$1.10 per barrel to \$1.85. At the same time the government increased by \$1.25 per barrel the tax aimed at helping cover the cost of subsidizing refiners for all imports. As a result, prices rose immediately by 2 cents per litre or 9 cents per gallon. It is up, up, up, Mr. Speaker. So much for the government's phony statement in the last election that Canadians would get cheap gas.

On September 1 of this year retail prices increased by eight tenths of a cent per litre or 3.6 cents per gallon because of a July 1 increase of \$1 per barrel in the wellhead price. The litany goes on and on and on, Mr. Speaker.

One of the groups I will speak up for at every opportunity is the Canadian Petroleum Association which is comprised of small Canadian firms. I am proud to speak up for that group which is being shafted by Liberal-NDP policies. The October 1981 bulletin of that association quotes from a speech of the chairman as follows:

In October 1980 our ability to meet the challenge of oil self-sufficiency was practically destroyed with the introduction of the NEP (National Energy Program) and the federal budget.

It is interesting to note that in a recently published report, the National Energy Board has supported industry's position that "Canadian oil self-sufficiency by 1990 is futile unless the energy industry receives higher returns than provided under the NEP.

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Since last October the Canadian Petroleum Association, which is comprised of small Canadian businesses not multinationals, has been urging governments to return to the negotiating table to settle their revenue-sharing differences and to return a reasonable share of the revenue to the industry. The industry cannot continue to function if its cash flow is going to be cut off. Also, there is mention about the huge profits of the multinationals. I am not a spokesman for multinationals, but I want to point out that just about all of these major oil companies have been borrowing money every year to continue with their exploration, and all their large profits go into exploration.

There was also an excellent document put out by the Nisku Businessmen's Association in Nisku, Alberta, earlier this year explaining the impact of the National Energy Program and the tie-in with Bill C-48. It is entitled "The Impact of the Federal Budget and National Energy Policy on 41 Oil Service Companies in the Nisku Business Park." It goes into great detail as to how the companies will be laying people off and will be buying less goods and services in Ontario and Quebec. I fail to see how that is helping Canada or the Canadian consumer in any way at all. The report states:

Of the responding companies in our survey, 49 per cent indicated that they had some type of branch office located in Alberta or northern British Columbia. Some of the locations included Grande Prairie, Calgary, Lloydminster, Edmonton, Brooks, Fort St. John and Fort Nelson. Most of the branch offices were involved in either sales, manufacturing, repair, storage or supply.

Out of the existing branch offices, 40 per cent will be shut down as a result of the budget.

Liberal policies will not cause companies to shut down in the OPEC countries, Venezuela or Mexico, because the government is pouring out money every day, paying the world price for imported oil instead of reaching agreement with the producing provinces, which could continue with oil exploration if they received a half decent price from the Liberal government; and there is oil in every province in Canada. With its policies, the government closed down 1,400 wells in Saskatchewan and brought the oil exploration industry in Manitoba to a grinding halt.

In another paragraph, the document reads:

LOSS OF OPERATIONS IN CANADA

One of the implications of the budget was the movement of business across the border to the United States.

I have gone into that at great length. These policies have certainly benefited the United States: North Dakota, Montana, Colorado, Oklahoma and Texas.

The document states further:

Prior to the budget's announcement, none of the firms responding to our survey had operations located in the U.S. As a result of the government's actions, 34 per cent of the companies indicated they would be moving a portion of their business outside of Canada.

I fail to see how that is helping anyone in Canada. The document goes on to read:

This movement will involve from 10 to 50 per cent of the firms' total operations with an average of 30 per cent.

It should be noted that most of these figures result from company forecasts. This may change as the situation concerning the budget changes.

Concerning the effect on employment in relation to the Liberals' energy policies, the document reads:

As of October 1st, 1980, the companies surveyed employed 3138 in Alberta and 1456 in Nisku.

After the budget was introduced they employed 2965 in Alberta and 1201 in Nisku.

This resulted in a loss of 255 jobs at Nisku or in the Nisku offices of the firms surveyed plus an additional loss of 173 jobs in branch and field operations.

Considering the large amount of oil service and related firms in Alberta, these figures from only 41 firms could represent a great loss of jobs throughout the province.

The report goes into some detail on the effect on other industries. Of course, most of these industries are located in Ontario and there are a number in Quebec. The report states:

It is an economic principle that when one section of Canada's economy is affected by some event, other areas are also directly affected. This can be seen in the cutbacks in orders to suppliers from the oil and oil related firms in the Nisku Industrial Park. The federal budget and NEP have caused slowdowns and loss of sales in these firms, which in turn decreases their expenditures on supplies and inventories.

Through our survey we obtained a list of suppliers in Alberta and eastern Canada who have been affected by the decrease in spending.

The document goes on to list dozens of firms, and also names the general industries in Canada which have been affected by the National Energy Program and Bill C-48. It also points out the following: