

Oil Export Tax

I am aware of the problems concerning multinational corporations—we now, also suddenly, need a cheap energy policy. We have a cheap food policy, and we have had high tariffs and the unfair kind of freight rate structure which might concern hon. members, regardless of party. Some of them have made speeches on this subject. I mention the late Jimmy Gardiner and give the Grits some credit for this.

I suggest, however, that the national policy in this connection, as developed by the federal state, is outmoded, outdated and must be revised if we are to continue this discussion in a fair and equitable manner. That is why the divvying up of the pie related to the export tax is extremely important to the two provinces I have mentioned. I can imagine what the Ontario members would say if we took all the proceeds from the manufacturing industry and set a domestic price across the country to ensure that the domestic price remained at a certain level, so that when farmers of western Canada buy steel they would pay \$1.50 or \$2. a ton for it because it is produced in Canada and they would not have to pay the difference between the domestic market price and the international market price.

If an export tax were established I can imagine the hue and cry from Ontario members in any party about having 100 per cent of that export tax channelled for development in the province. So western members express their concern relating to the allocation of this oil export tax fund. This is a fundamental concern related to one of our resources, regardless of province. Therefore, I have been pleased, to be quite frank, with the Minister of Finance and the manner in which the funds have been allocated. I believe 50 per cent is to go back to the producing provinces. The province of Saskatchewan undoubtedly will use it for resource development. Alberta may well do the same, but I do not know the situation in that province as well as I know it in my own province.

I think that 50 per cent to be invested by the federal government in the producing provinces for research and development in the oil industry is a fair and equitable way of doing things. The two producing provinces are being assured that they will not be run over roughshod in terms of a resource with which they happen to have been blessed. I think this will be of value to the international market and will ensure further development in those two provinces.

What is of concern to me is that in the province of Saskatchewan we have set up a method of public control and public ownership of the oil industry, to turn it into a public utility in order to conserve the supply and production necessary to meet the needs of the people, and we want to see come out of the conference a change in policy by the national government so that our energy supplies, whether in the area of uranium, oil, natural gas or any other resource, will be treated as a public utility for all Canadians.

Mark my words, the legislation enunciated by the province of Saskatchewan and passed by its legislature will be a guiding light in the winter blizzard relating to an oil and energy policy, and will be a guideline for turning the oil industry into a public utility to serve the general public. I predict that federal governments of whatever political stripe, will have to move in the general direction of treat-

ing oil resources as a public utility even if they have to do it with the oil companies kicking and squealing all the way. Federal governments will have to move in that direction because it will be demanded by the public for the protection of the people of Canada.

I am glad to hear a clear statement from the minister that 50 per cent of this export tax will in fact go to the producing provinces. I do not believe any further comment is needed. I did a little work over the weekend; I am sure the Minister of Finance also spent his weekend doing quite a bit of work. I commend him for his action on this Ukrainian Christmas Day which is celebrated in my area. I appreciate the way in which he handles bills of this kind which he presents to the House. I like the procedure of dealing with these bills in committee of the whole and I hope this practice will continue. In this way we dealt with the capital gains tax in respect of farmers and found we could reach an accommodation. We have reached today a certain amount of accommodation.

Therefore, the minister's commitment in respect of the 50 per cent is appreciated. I had worked out an amendment which would have changed the "may" to "shall" and would have said that the minister "shall" pay to a province, out of the Consolidated Revenue Fund, an amount calculated by him in accordance with subclause (2), but I accept his word and I shall forgo moving such an amendment.

Some hon. Members: Question.

The Assistant Deputy Chairman: Shall clause 12 carry?

Clause 12 agreed to.

Clause 13 agreed to.

● (1740)

The Assistant Deputy Chairman: Shall Clause 1 carry?

Mr. Knowles (Winnipeg North Centre): What about clauses 3 to 10 inclusive?

Mr. Turner (Ottawa-Carleton): I would ask the unanimous consent of the committee to withdraw part I of the bill, including clauses 3 to 10 inclusive, which would mean to the drafter that part II would become part I and part III would become part II.

The Assistant Deputy Chairman: Do I gather there is unanimous consent to what the minister proposes?

Some hon. Members: Agreed.

The Assistant Deputy Chairman: Shall clause 1 carry?

Clause 1 agreed to.

The Assistant Deputy Chairman: Shall the title carry?

Mr. Turner (Ottawa-Carleton): Mr. Chairman, I propose that the title to Bill C-245 be amended by striking out the words "to impose a charge on the export of crude oil from Canada". I propose that those words be eliminated. Perhaps this amendment should be moved by my colleague, the Minister of National Revenue. I agree with the point that was made by the hon. member for Peace River