

*Canada Oil and Gas Act*

had difficulty in renewing their mortgages, can give grateful thanks to the Minister of Energy, Mines and Resources and to his friend the Minister of Finance.

The other day we heard the Minister of Industry, Trade and Commerce (Mr. Gray) trying to deny that he had ever threatened to resign if interest rates were not brought down below the then outrageous 14 per cent. He went on some crazy tirade that somehow high interest rates in this country were attributable to some people in this party who support the American program, or some other such convoluted reasoning. In any event, the minister was trying to put the blame for everything that was happening on the United States and partly on us because supposedly people in this party support some of the things that have happened in the United States.

If one reads today's edition of *The Globe and Mail*, it shows that interest rates in the United States rose 20 per cent last year whereas interest rates in Canada rose 50 per cent. Why did Canada's rates increase 50 per cent in the last year as opposed to an increase of 20 per cent in the United States? The answer is very simple. Canada has a National Energy Program which has caused that increase in interest rates. We owe it all to the Minister of Energy, Mines and Resources.

It is incredible to hear the parliamentary secretary say that the National Energy Program is such a great success. One has to wonder what planet the parliamentary secretary lives on or where Canada stops for him. It must stop at Etobicoke. He must not know any part of Canada west of there. If he were fulfilling his responsibilities as Parliamentary Secretary to the Minister of Energy, Mines and Resources, he would be aware of the number of drilling rigs and Canadian companies that have left this country, and he would not be making these absurd statements as to how wonderful this program is for Canadian companies.

What is this program doing for Canada? Over the weekend I had a look at the Annual Review of the Economic Council of Canada for 1980, which produced an addendum following the introduction of the National Energy Program last year. The Economic Council examined the National Energy Program, put the material into its econometric model and concluded that as a result of that program inflation in Canada would be a couple of points higher than the council had originally predicted, that unemployment would be a couple of points lower, and that Canada would have higher interest rates. Generally speaking, the Economic Council predicted a pretty gloomy 1981 as a result of the National Energy Program.

The Economic Council was bang on in terms of all its dire predictions for 1981 resulting from the National Energy Program. Yet members opposite stand up without even blushing and say, "Isn't this a wonderful policy and isn't it working marvellously?" We hear that Canadians should be truly grateful they have such a marvellous government in charge, such a smart minister and such brilliant civil servants advising him. But if they were a little smarter, we could have interest rates as high as 30 per cent and perhaps unemployment at 15 per cent or 20 per cent. Who knows? We could even drive every last drilling rig right out of the country if these people were a

little smarter. But what gets me is the fundamental dishonesty of this government, which is claiming that the National Energy Program, particularly Bill C-48, is designed to help Canadians participate in the oil and gas industry.

I shall read part of a submission made by Husky Oil Operations Ltd. to the committee studying Bill C-48. Husky Oil is a Canadian company. Most of us recognize the very prominent Canadian on its board of directors, Tommy Douglas, who is a former energy critic for the New Democratic Party. I am sure they get excellent advice from Mr. Douglas. What does Husky Oil, this Canadian company that is supposed to be such a tremendous beneficiary of this marvellous Bill C-48, according to the minister, have to say? Let me quote:

● (1650)

Bill C-48 appears to have been written in anticipation of setting out rules and powers to control and manipulate a hostile reluctant industry. These financial tools and discretionary powers combined with the preferential treatment of Crown corporations in Bill C-48 and the stated objectives of the NEP on public ownership leave the private sector wondering whether its role in Canada lands is just an interim one. Any private sector company that takes C-48 as drafted and NEP documents as written is forced to add an element of risk resulting from possible government involvement.

That is a very mild way of saying: "What the blazes are you guys doing? All you have done is complicate things and made it that much less attractive for Husky Oil to consider going up there".

I would like to refer to perhaps not quite as temperate a remark from another Canadian company operating in the high Arctic. This is not a company as big as Husky Oil. It is just a small Canadian independent, 100 per cent Canadian owned and started by a Canadian, a good westerner. He is perhaps not as good a Canadian as an Etobicoke Canadian, but he is a good Canadian to some of us. According to a letter from the president of this company, Paramount Resources, if Paramount was a foreign corporation "we might be enraged; as a Canadian company we can find no words to describe the rape and plunder the Canadian government has perpetrated on our company." Rape and plunder is how this Canadian oil company describes what the Government of Canada has done to it.

What does the Parliamentary Secretary to the Minister of Energy, Mines and Resources say? He says: "We are really proud of what we have done for the Canadian oil and gas industry; we are really happy." They are proud of the rape and plunder they have perpetrated on this company. They think it is marvellous and a tremendous success. One wonders what planet they live on, let alone what country they live in. We wonder what ordinary Canadians have to do to get through to the thick skulls of those people who keep making those kinds of statements, in view of the overwhelming factual evidence that this program is a disaster and is damaging Canada very, very severely.

Bill C-48 will not work. It is supposedly designed to bring about the efficient, effective and reasonable development of the oil and gas potential in the Canada lands. It will not work, and that I suppose is the saddest part of the whole thing.