

Adjournment Debate

In any event, I am confident that the review will yield a fair and equitable solution which will be announced in due course.

ENERGY—FUNDING FOR OIL EXPLORATION IN SENEGAL. (B)
MACHINERY AUCTION SALE

Hon. Don Mazankowski (Vegreville): Mr. Speaker, may I first of all congratulate you on your elevation to your very lofty position. I know you will serve the House and the country very well and with distinction.

The policies of the federal government have caused a major disaster in the exploration and servicing sector of Canada's oil industry. The National Energy Program, combined with the economic policies of the government, has served to drive business upon business associated with the exploration and service industry into financial ruin and bankruptcy. For many who have spent a lifetime of work in building up these businesses, it leaves nothing more than bitter memories of their hard work, sacrifice and dedication in trying to make their businesses a success. There is anger and bitterness over the failure of so many companies associated with this industry. There is anger and bitterness directed toward the government, which is the most destructive and deceitful government that has ever served Canadians.

There are many examples I could highlight this evening, but I want to single out one which is really the substance of the questions I posed on July 9, as reported on pages 19175 and 19176 of *Hansard*. It concerns the liquidation sale of two firms in Lloydminster, Alberta, namely, Midway Oilfield Services and Weldex Machine. These two companies were doing very well. They were well-established and well-managed. They had been in business for years, and during the period of 1979—1980, prior to the implementation of the National Energy Program, they were doing very well. The businesses were humming; 150 jobs were involved in their operations. In about February, 1982, the effects of the National Energy Program and of the economy served to bring these two businesses into very serious difficulty, and they were forced into receivership. The government refused to fundamentally alter its National Energy Program, which, and I suggest most people agree, has been one of the major contributing factors to the current recession.

By July, 1982, these two companies were forced to liquidate through an auction sale. On July 6 and July 7 in Lloydminster, Alberta, there was a huge auction sale to dispose of all assets of the two companies. I might say that the assets were worth in excess of \$3.5 to \$4 million. They sold at a public, unreserved auction sale for something in the order of 30 cents to 50 cents on the dollar.

• (2220)

Who came up to buy this equipment? It was mainly Americans who bought up the excess surplus equipment. The sale of that equipment was forced as a result of the bankruptcies. The Americans come up with their premium dollars, buy this equipment and take it back to the United States and put it to work. In this case, 150 jobs have gone down the drain.

I could mention another company in Lloydminster as well; Universal Industries which was in the business of building pumps, tanks and other ancillary pieces of equipment associated with the oil service industry. In 1981 that company employed about 350 people. Today the number is down to 200. The firm has gone into receivership, and it will be lucky if it survives. If it does survive, it will probably end up with 100 people, at best.

I could cite many examples. One has only to pick up the *Edmonton Journal* and look at the sheriff's sales, the receivership auction sales, bankruptcy auctions, unreserved public auctions—I could go on, page upon page.

Two years ago, prior to the National Energy Program, the oil industry in this country was humming, there were some 500 rigs working in western Canada, either drilling, in transit, or in the process of being set up. Today there are less than 100; and when we look at the record we find that some 20,000 jobs have been lost.

The reason I pose the question is that in spite of all this we are spending money looking for oil in other countries. For example, we are spending money looking for oil in Jamaica, in Senegal, in Tanzania, in Bangladesh, in Pakistan and in Kenya while we are destroying our own industry right here in this country.

One should consider this great organization called Petro-Can. It has \$250 million to spend looking for oil in foreign countries. I asked the Minister of Energy, Mines and Resources (Mr. Lalonde) to explain to my constituents why and how he could justify, in the face of these companies going bankrupt, during these economic difficulties, this time of recession, this time of restraint, the expenditure of this kind of money looking for oil which would add to the self-sufficiency of other countries rather than our own.

Specifically, I asked how he could justify Canada spending the sum of \$16.9 million in aid to look for oil in Senegal. That is not all. A Jamaican deal that has been signed, and there is an upcoming deal with Tanzania for \$25 million which is to be signed. There is another project worth \$21 million. None of these deals will bring any return to Canada, and the oil will all belong to the foreign countries.

The policies of this government are closing companies here, and destroying our oil industry. This government is trying to make a great name for ourselves in the international world. The people in my area do not understand the reason for the double standard.

I learned in just the last couple of days that the federal government is going to bail out Maislin Transport. That is the first service industry I know of that is going to be bailed out by this government. This government is prepared to bail out Massey; it is prepared to bail out Chrysler; it is prepared to bail out Dome; it is prepared to bail out any of those companies which are friends of the government. It is prepared to provide grants and subsidies to those areas served by Liberal cabinet ministers while it deliberately destroys a once viable