

*Petroleum and Gas Revenue Tax Act*

creation sector. As well, he is abandoning the concept of self-sufficiency.

A recent editorial in the *Edmonton Journal* disapproved strongly of the Government's policy to abandon the goal of self-sufficiency and the concept of job creation in the energy sector. Those concepts formed the central mantlepiece of the Government's economic policy in its first year in office.

**Mrs. Mary Collins (Capilano):** Mr. Speaker, this late in the day, I am pleased to have the opportunity to say a few words on Bill C-17, the legislation that will terminate the petroleum and gas revenue tax. I have listened with some interest to the earlier debate. Of course, it is a very happy day for all of us in the West. I was pleased to hear the comments of my colleague, the Hon. Member for Calgary South (Mrs. Sparrow). I know of the tremendous amount of work she and her colleagues from Alberta have done toward the elimination of the PGRT and the dismantling of the Liberal National Energy Program.

Indeed, today we are taking the necessary steps that will put the final nails in the coffin of an unjust tax. We are burying for good an inappropriate creation of the previous Government. We are burying a tax that threatened to do irreparable damage to federal-provincial relations. We are burying a tax that was choking the petroleum industry in a period of low oil prices. We are burying a tax that has been compared to a dead skunk under the front porch: this tax had to be removed in order to make the house habitable. Now that the tax has been removed, the oil industry will be able to breathe easier.

I am not telling Hon. Members that all is well in the oil industry or that the removal of the PGRT is a cure-all. We know jobs are being lost daily and the economic impact of the problems facing the industry is being felt across Canada. However, I can tell Hon. Members that the removal of the PGRT is an action that is both politically and economically justifiable.

We are not giving the oil industry windfall benefits. We are returning to the industry a small fraction of the revenues that should never have been taxed away in the first place. Removing this tax removes a penalty on the industry, a penalty for having been successful in the years prior to the NEP. Eliminating this tax has been compared to stepping on one's foot and then expecting eternal gratitude for finally agreeing to take the foot off. The PGRT is gone and it is good riddance to an unjust tax.

When thinking of the impact the PGRT had on the oil industry, I am reminded of the 1970s when, in my own Province of British Columbia, the NDP Government imposed unjustifiable taxes on the mining industry. That had a terrible impact on that industry. Surely we can learn from such examples. When a Government becomes too greedy because it thinks one industry or another is benefiting from international prices, it tries to take that benefit away unjustifiably. The effect of that on the lowering of confidence and investment is so detrimental that it is just not worth it.

I lived in Calgary in the years just prior to implementation of the PGRT and then for a period of time after it was implemented. I worked with the oil industry and I recall what happened to it. It went from optimism, jubilation and perhaps in some cases over-investment to darkness in only a couple of months. We all know what resulted in the years that followed until our Government came to power two years ago and began to dismantle the National Energy Program. Today, the Government has put forward a Bill designed to do away with the last vestiges of the really unfair PGRT.

The purpose of this Bill is to eliminate the PGRT or, as it has sometimes been called, pigs gathering round the trough. The revenue trough is empty now, but what happened to all the money that was scooped out since the PGRT was introduced in 1981? The money that was taken from western Canada was poured into 80 per cent PIP grants designed to entice companies to drill primarily in the offshore. How many new oil and gas discoveries were made with the PIP money? A few, but not many. How many Canadian oil companies were encouraged to over-extend themselves disastrously to qualify for grants and artificial enticements? How many Canadian consumers paid extra money at the gas pumps so that Petro-Canada could buy Petrofina at an inflated price? In the answers to these questions, we can see the legacy of the National Energy Program.

This legislation puts an end to an inappropriate intrusion of Government into the private sector. The end of this tax combined with the other energy policy initiatives already taken means that the petroleum industry will be able to function in a free market. The industry is facing tough times today, but in the long run it will be stronger. We know that international oil prices are low but at some of the meetings I have attended, I have sensed optimism. Predictions have been made that oil prices will rise again to the \$18 to \$20 range.

In the long run, the Canadian industry will be able to compete without being strangled by taxes or being enticed into poor investments by Government grants that are too rich to be refused. In the future, the petroleum industry will be treated more like other industries. In the view of our Government, that is the way we should approach industrial strategy.

I urge all Hon. Members to give speedy passage to this Bill. I see it as being a part of a continuum of efforts made by the Government to fulfil its commitment to the Canadian people. In the last three weeks, I have had the pleasure of speaking on three different measures, all directed toward that goal. I spoke on the rebate of the child tax credit, on the amendments to the Criminal Code dealing finally with child sexual abuse, and on today's Bill which finally does away with the petroleum and gas revenue tax.

The legislative record of the Government has fulfilled our commitment in the Speech from the Throne to a modern, tolerant and caring society, a society that treats all its citizens with fairness. Today, we end the era of unfairness in the PGRT. I can assure all Hon. Members that we will continue to ferret out unfairness in all areas of Government so that we