

these trucks lined up and leaving. I am sure the minister would say that the picture in the Red Deer *Advocate* is false and that they are telling lies and that this is not happening. I doubt very much if the *Advocate* is publishing false pictures and giving false information about drilling equipment and trucks leaving Canada. A report in last Thursday's *Advocate* states as follows:

Rigs Leave—A convoy of trucks carrying a disassembled oil drilling rig clears through United States customs at Coutts on the Alberta-Montana border Thursday. This rig, owned by Hi-Tower Drilling Ltd. of Edmonton, needed 30 trucks to transport it, although some require up to 60 trucks. About 50 rigs have moved south through Coutts since last October when the federal energy policy was announced.

Today the hon. member for Assiniboia gave more figures about the devastating effect this is having on the province of Saskatchewan. The Saskoil Company is applying to do drilling in Montana. How are we to become self-sufficient when this sort of thing happens? I think the reason the Liberals are continuing with this disastrous policy is because they are trying to squirm out of the ridiculous statement they made in the last election campaign that they were going to get cheap gas for Canadians. I think they had better get off that "cheap gas" idea and tell the truth to the Canadian people. They should tell the people how much of their money is being spent daily to bring imported oil from the OPEC countries. I brought this up in a motion today, Mr. Chairman. It costs \$12 million per day for oil from the OPEC countries. They will become wealthy and have all their people working. But not this country, Mr. Chairman.

I should now like to read part of a letter from the chairman of the Hudson's Bay Oil and Gas Company Limited—not some company over in Africa or Asia. The letter states:

Since the passing of the October budget, and the introduction of the National Energy Program, parliamentary and media debate on Canadian energy policy has been intense. As chairman of one of Canada's principal petroleum companies, I am acutely aware of the importance, not only to the industry but also to the economic and social well-being of Canadians, of an energy policy of optimum benefit to the nation.

He enclosed a brochure. I shall not read all of it but just some of the more important parts. On page 5 it states:

The over-all impact of the measures proposed in the National Energy Program will be a very sharp decline in the industry's cash flows and earnings.

With double-digit inflation, Mr. Chairman, you need a large cash flow. You cannot work on a little bit of cash flow.

It continues:

All of the industry forecasts, as well as those made by other knowledgeable observers, indicate that the industry's cash flow will be reduced by approximately 30 per cent and its net earnings by about 50 per cent. This inevitably will result in a substantial reduction in exploration and development activity in western Canada. It also will seriously impair the industry's ability to undertake the risks and finance the massive investment required for development of the oil sands and the frontiers.

So much for energy self-sufficiency under this National Energy Program and these clauses of Bill C-54.

On page 6 the brochure states:

In short, we are firmly convinced that an arbitrarily defined requirement for Canadian control to qualify for the proposed Canadian ownership incentives is not only unnecessary but would unfairly penalize many Canadians who already

own shares in the industry. It also could discourage foreign-controlled companies from making shares available for purchase by Canadian investors and thus prove counterproductive to the achievement of greater Canadian ownership of the petroleum industry.

Everything that this government has come out with since it got back into office is counterproductive. It has made absolutely no headway at all in any area.

I have a letter here from a small Canadian company which is struggling to survive, called Riley's Datashare International Ltd., based in Calgary. The letter which was sent to all members on our side of the House states:

Enclosed is an interim financial report which outlines our position on the National Energy Program.

Riley's Datashare International is a data service company providing products to the petroleum industry around the world from offices in Calgary and Houston. We are a public company with over 1,300 shareholders, more than 90% of whom are Canadian residents. While a small company of just 200 employees, 140 of which are in Canada, we believe we are representative of the many petroleum service companies who will be hurt by the NEP.

It is all the little companies, the medium-sized companies and indeed even the multinationals that are being hurt—are getting walloped by these policies. Of course in the end we suffer too.

The letter concludes with the following:

In our view, the program is in need of drastic revision. It threatens economic activity, is furthering the sense of regionalism in western Canada, and jeopardizes our chances of energy security. We urgently suggest reassessment.

I hope that in the near future the finance minister or the energy minister will come up with some way of reassessing or withdrawing this program. They cannot continue with this ridiculous procedure in light of all the evidence that is coming from these firms. We cannot assume they are all lying to us or giving us false information. If they are, then someone had better get up and discount it.

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Riley's also enclosed a brochure. In part, under the heading of "National Energy Program" we read:

The major event of the second quarter without doubt was the federal government's National Energy Program and the continued inability of the two senior levels of government in Canada to reach an agreement on petroleum pricing and revenue sharing. Much coherent and sincere opposition to the NEP is being made by the petroleum industry in terms of the impact on the industry and the nation as a whole. In our view the inappropriateness of the program traces to several inconsistent objectives:

They go into great detail about how the program is affecting them. They comment on "Self-sufficiency-Activity" as follows:

The federal government remains committed to energy security and yet the net effect of the NEP is to reduce the industry's ability and willingness to achieve this. Industry cash flow under the program will be reduced.

They go on to explain how this program is affecting their firm and its expansion.

Neither the Minister of Finance nor the Minister of Energy, Mines and Resources is here, but the Minister of State for Finance is. I would like to refer to *Oilweek* magazine for January 12, 1981. There is a lengthy article quoting statements and comments made by various provincial cabinet min-