

Canada Petroleum Resources Act

In the speech by the Minister of Energy, Mines and Resources she said that there will be no Crown share in the legislation. We are left with the idea that somehow the private sector will provide an equivalent return to the economy as the Crown share unless, of course, it is the Government's intention not to provide an equivalent return to the Canadian taxpayers. That is a theme on which I would like to hear the Government expound and justify.

Regarding the interests of Canada's aboriginal habitants, Clause 3 states that nothing in the Act abrogates or derogates from aboriginal title, right or claim that pertained to the aboriginal peoples of Canada prior to the coming into force of this Act. As I have said before, apart from that clause, there is really nothing in the Bill that provides protection for Canada's aboriginal peoples.

As has been pointed out at some length by the previous speaker, there is nothing in the Bill to ensure that the costs which can be saved by the fall in world oil prices will be passed along to the Canadian consumer. We have seen a drop in the price of gasoline at the pump but it has not been of the magnitude of the drop in the world price. It is a particularly sore point in my riding that we have not seen any drop in the price of heating oil; rather, there has been an increase. We have not seen a drop in the price of aviation fuels; rather, there has been an increase. In committee last week, the Minister of State for Tourism (Mr. Murta) said that he really did not see doing anything about that.

As well, there is no commitment to the continuation of gas distribution incentives. Instead, we are being told by this legislation to trust the companies. I submit that the previous experience and recent history of the companies indicates that they serve interests which are largely based outside Canada, and they have an eye toward profits. Indeed, they are determined, because of the present fall in prices, to recoup what they see as being the reduced profits which, in their opinion, they have suffered over the last while.

I do not think Bill C-92 adequately addresses the energy situation in Canada today. I do not think it adequately addresses the needs of Canadian consumers or of Canadian taxpayers. It remains to be seen, of course, if it will provide the benefits in the frontier lands that it says will be possible.

Mrs. Sparrow: Mr. Speaker, my colleague, the Hon. Member for Kenora—Rainy River (Mr. Parry), said that taxpayers supported and paid for the exploration and development in the frontier. Back in about 1980, the previous Government introduced the National Energy Program which included a petroleum-gas revenue tax. That tax started out at 16 per cent and was a front-end revenue tax. The moneys collected from that came from western producers and supported PIP grants. The PIP grants were 80 cents on the dollar in the frontier and 35 cents on the dollar in provincial land, depending upon Canadian ownership.

My colleague stated that the taxpayers of Canada paid for the exploration in the frontier. Perhaps he could comment on

the PGRT, a tax paid for by the western producers. That is how the money to explore in the North was found.

Mr. Parry: Mr. Speaker, I am sure that the Hon. Member for Calgary South (Mrs. Sparrow) is not suggesting that the total revenue reaped by the PGRT was equivalent to the incentives, direct subsidies and grants that were paid out for frontier exploration. I do not have the figures with me, but perhaps the Hon. Member does and would like to put them forward.

I would certainly challenge the Hon. Member by saying that the revenues collected through the PGRT did not come close to paying the cost to the Canadian taxpayer of the investment in frontier exploration.

• (1230)

I should like to remind the Hon. Member for Calgary South that we in the New Democratic Party, after all, opposed the PIP grants because we thought they were in fact too generous. I should also like to remind her that the previously available superdepletion allowances were in some cases giving back to the companies more than they were actually spending. In other words, they were receiving a tax break on their drilling investment which came to more than 100 per cent. At the time of debate on Bill C-48, we estimated that the combination of PIP grants and other tax breaks would mean that taxpayers would be putting up 93 cents for every dollar spent by a Canadian company and 72 cents for every dollar spent by a foreign company on Canada Lands.

Setting aside for the moment the superdepletion allowance, which is a fiscal measure of a different order that had the same effect of making frontier drilling very profitable for companies, I would defy the Hon. Member to say that a 93 per cent participation in the cost of exploration was anything other than a very substantial investment by Canadian taxpayers.

A couple of other points should be made. One is the enormous investment by Canadian taxpayers in picking up some of the costs incurred by other parties, particularly native people, and the costs of supporting and in many cases expanding communities which acted as jumping off points for that type of exploration.

Failing the presentation of further information by the Hon. Member for Calgary South, I would have to say that her hypothesis that the western oil industry funded frontier exploration through the Exchequer is entirely unproven.

Mr. Nickerson: Mr. Speaker, the Hon. Member for Kenora—Rainy River (Mr. Parry) spoke very sympathetically about the view advanced by certain land claimants that no further dispositions on oil and gas lands be made until such time as outstanding land claims had been resolved. I did not quite understand whether he was saying that it was the policy of the New Democratic Party to accept that and, in so doing, to give the right of veto to a group of private citizens, as important as they are, over such dispositions on oil and gas