

tioned in St. John's with the federal Department of Fisheries which can be used for search and rescue. The big announcement was that a Canadian Armed Forces helicopter with SAR capability will be deployed to St. John's. However, from where is it being deployed? It is being deployed from Gander, Newfoundland, 150 miles in a straight line from the City of St. John's. It is stealing it from one part of Newfoundland and assigning it to St. John's.

The Government is doing this because the request came from both Members of the House who represent that area and from the Province of Newfoundland. However, it was not from the Province of Newfoundland, it was from the Government of Newfoundland. This amounts to stealing from one area of the province to give to another area of the province. The Government is removing that search and rescue capability needed by fishermen in central and northern Newfoundland and placing it in St. John's to fulfil, so the Minister claims, promises that she made during the election campaign. That is not fulfilling a promise; it is stealing from one to give to another.

Mr. Shields: Mr. Speaker, I would like to comment on something the Hon. Member for Gander-Twillingate (Mr. Baker) mentioned in his remarks.

The Acting Speaker (Mr. Paproski): There is no one to answer your question. I do not believe there should be another comment at this time. Unless there is someone prepared to ask a question or make another comment, the Member is not in the House and I cannot allow a supplementary comment.

[Translation]

The period for questions and comments has expired.

[English]

Mr. John McDermid (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I appreciate being recognized. I felt this morning that I was not recognized, probably because Your Honour took seriously what I said in jest about playing football back in the days when they did not use helmets. For that, I apologize.

I listened with great interest to the debate this morning as well as to the Minister of State for Finance (Mrs. McDougall) who introduced Bill C-8 for second reading. Bill C-8 concerns the changes we want to make to the petroleum and gas revenue tax.

This is the first opportunity I have had to speak in the House since the election. I would like to take the opportunity to thank the electors of Brampton-Georgetown for being so kind to me over the summer. It was a great summer and it was even better after Labour Day. I want to thank them most sincerely for their kindness and I will try to justify the overwhelming support which they gave to me.

Mr. Gauthier: We all make mistakes.

Mr. McDermid: The Hon. Member for Ottawa-Vanier (Mr. Gauthier) should be so lucky as to have such a majority.

Petroleum and Gas Revenue Tax Act

Bill C-8 puts into place a number of fiscal measures affecting the PGRT that date back to 1982. Before I expand on that, I want to point out that in the 11 weeks since the Government has taken office a number of important incentives have taken place on the energy front. Of course, the focus of these early measures has been to assist an industry which has been brought to its knees over the last number of years, despite the efforts of the Hon. Member for Vancouver-Kingsway (Mr. Waddell) to convince us that it is an industry that is hosing the public.

We want to assist the industry in the short run in order to create jobs. The creation of employment is a very important part of our over-all goal. Jobs are needed in Alberta where unemployment ranges from 13 per cent to 14 per cent. This industry, which has struggled in the last few years, must get back on its feet to restart that engine of growth.

As a first step, the Government consulted with the provinces and the industry. We sought their advice about how to turn it around and acted upon that advice on November 1 when the Minister adopted a market-sensitive pricing regime for natural gas exports.

Mr. Axworthy: We did that.

Mr. McDermid: The Hon. Member for Winnipeg-Fort Garry (Mr. Axworthy) wants to take credit for it.

Mr. Axworthy: We announced it in June.

Mr. McDermid: According to the industry, an additional 3.11 billion cubic metres will be sold over and above what would have been marketed under the previous system. This translates into an extra \$1 billion in foreign exchange, the preservation of thousands of jobs and the creation of thousands more.

Another initiative is the Bill we are discussing today. These proposals were contained in the economic statement by my colleague, the Minister of Finance (Mr. Wilson), through which PGRT credits to small producers have been doubled to \$500,000. This will help the smaller firms who are often the most aggressive explorers and spenders. The lower rate of PGRT to integrated oil sands plants is extended for a further year. This indicates our Government's support for huge employment growth-generating projects. We are told it is worth some \$35 million through 1985-86.

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At the same time while this was going on, the economic statement provided protection for our vital primary and petrochemical industries. Farmers, fishermen, loggers and mine operators are eligible for the fuel sales tax relief with respect to commercial uses. These industries, together with the petrochemical industry, are also eligible for rebates equivalent to the increase in the PCC applied to refiners. That is worth some \$135 million through 1985-86.

There are many other initiatives undertaken by the Minister of Energy, Mines and Resources (Miss Carney). I think