

Taxation

Mr. Taylor: The Liberals and the NDP took them out.

Mr. Cullen: It is a great Constitution. It can be improved upon. Now that members of the opposition have taken the Constitution to their heart, as they took the flag to their heart, they will now work hard to improve upon it. I am sure we will get that kind of contribution.

I want to talk about the area of conservation. Canadians can play a role in this area. They are being encouraged to do so by this kind of legislation and other agreements under the National Energy Program which were criticized out of hand by the hon. member for Calgary Centre. There were gratuitous insults to civil servants which were unfair. He suggested there was something wrong with the federal government moving in this way. He says there is something wrong with the government, which says we have scads of gas, certainly a lot more gas than oil, so let us put some incentives in place so that people will switch from oil to gas. I am sorry the hon. member for Mississauga South in all of his constituency does not have the opportunity to take advantage of clean-burning, non-smelling, safe gas. He should be encouraging the province of which he is a member and the companies to get into that area and distribute this natural gas.

There is not much more I want to say at this time about the bill because the minister spelled it out so beautifully at the second reading stage. However, I did want to set the record straight with regard to the suggestions made by the hon. member for Calgary Centre. I have had the opportunity of working with the civil servants he has gratuitously insulted by calling them eager beavers and other names not nearly so complimentary. It is my experience that the Canadian government and the Canadian people are well served by their civil servants. If we could bring their spirit of dedication to all people across this country, this would be a much better country than it is at the present time.

Attacking a piece of legislation is one thing. Attacking civil servants who are giving effect to policies, not policies which come from civil servants but from this government and this party, implementing them and showing how they can be carried out effectively, is wrong. They deserve praise, not criticism from members opposite.

If I might repeat myself, this bill is an agreement between the federal government and three producing provinces. It provides adequate compensation to the oil companies. We are only being asked to endorse it because there has been agreement by all three parties involved in the production of oil. This bill should receive quick and speedy passage.

Mr. Siddon: Mr. Chairman, earlier in his remarks, the hon. member for Sarnia was singing the praises of the Canadianization initiatives which he is somewhat sensitive to when they are called nationalization initiatives. He will appreciate that if we lived in a country which produced more than it consumed and invested more than it squandered, private individuals might be able to afford to invest in the patriation of our oil and gas industry. However, when we have to go outside Canada, as Petro-Canada has, to borrow large blocks of money at guaranteed rates of return to foreign lenders, that in no way helps to

Canadianize our oil and gas industry. It merely furthers our ludicrous rush toward national bankruptcy of which there are evident signs throughout this country today.

The hon. member knows that this is a mockery. The government is using sleight-of-hand to suggest that its initiatives are designed to Canadianize the oil and gas industry, at a time when people cannot afford to borrow the money required to maintain the loans against their farms or businesses or to renew their mortgages. He knows that this so-called Canadianization program is merely another government power grab designed to make Canadians more and more dependent on the state and to destroy their individual rights and freedoms to invest and save as they wish.

I want to deal with Bill C-112 from the point of view of the impact of the regressive tax measures included in it, particularly the natural gas and gas liquids tax, upon consumers, especially those in western Canada.

I take hon. members back to the fall of 1980 when the residents of British Columbia en masse, to the tune of some 30,000, petitioned this House through petitions filed by various members of Parliament from British Columbia, expressing their absolute rejection of any attempt by the Government of Canada to impose a federal excise tax on natural gas. The petition expressed their "absolute rejection of any attempt to impose a federal excise tax against the export of natural gas and hydroelectric power from British Columbia." It further states that "such action would constitute a disguised form of supplementary income tax against every resident of British Columbia" and finally stated "We will not accept it."

The government and the Minister of Finance must have been pretty concerned about those 30,000 signatures. The Minister of Finance presented a budget on October 28 in which he said that, as a consequence of the representation from the western provinces, the government had decided not to impose an excise tax on natural gas. The way in which the paragraphs were structured was very clever. I quote from page 8 of that budget speech:

In these circumstances and after careful consideration, the Minister of Energy, Mines and Resources and I have concluded that it would be desirable to abandon our preferred plan—

That being an export tax.

—and seek an alternative approach which we hope will meet the concerns of the producing provinces.

He then went off on a tangent without telling the audience in this House of Commons what that approach was. In the next paragraph he stated:

This alternative approach involves the imposition of a new uniform federal tax on all natural gas.

Subsequent to that budget speech, the level of taxation has been increased further through the provision of these amendments we are now dealing with. A very neat agreement was achieved between the province of British Columbia and the federal government which essentially renounces the concept of an export tax by a bit of sleight-of-hand. It says that we set the tax rate to zero, but maintain the domestic natural gas tax,