

major oil company just to have thousands of more gasoline stations. The Prime Minister's response, which was breaking his heart since he had supported him in the election, was that Petro-Canada was really an independent organization and the Government did not have any say in it whatsoever. He said that the Government did not want to influence it in any way. I am sure that if many western Conservatives who voted for the Prime Minister in 1984 knew that he would allow Petro-Canada to operate completely separate from the Government with no direction or assistance from it, they would have been heart-broken. These people expected some leadership from the Government in this regard.

I thought I should relate this incident because I am conscious of how much oil is produced in the Hon. Member's area.

Mr. Waddell: Mr. Speaker, I wish to comment on the comment of the Hon. Member for The Battlefords—Meadow Lake (Mr. Gormley). How many times do we have to tell the Hon. Member that we did not support the PGRT when it was brought in? How many times do I have to tell him that we did not support the National Energy Program? I ask the Hon. Member to check the record.

Mr. Crosbie: Methinks the Hon. Member doth protest too much.

Mr. Deputy Speaker: Order, please. I ask the Hon. Member for Vancouver—Kingsway (Mr. Waddell) to direct his question or comment to the Hon. Member for Algoma (Mr. Foster).

Mr. Waddell: Mr. Speaker, I was directing my question to the Hon. Member for The Battlefords—Meadow Lake because he spoke about the PGRT. All I can say is that I invite the Hon. Member to read the speech I made today. I gave Members of the House the vote patterns in it, and I would like to address this issue.

The fact is we need a national energy program. It does not have to be called a Liberal National Energy Program. We need some sort of program. There must be an energy program in place for Canada. I ask the Hon. Member for Algoma (Mr. Foster) what we really received for the \$7.3 billion that we gave in PIP grants. Does the Hon. Member think that was an effective method of Canadianization, given that all Members of the House share the same concept of Canadianization? I preface my remark by saying that I do not think the Hon. Member believes there is a free market for oil. Perhaps he believes there is. Perhaps he is like many members of the Conservative Party. Does the Hon. Member really believe that Gulf competes on the same basis as some small independent oil company in our system?

Mr. Foster: Mr. Speaker, the Hon. Member for Vancouver—Kingsway (Mr. Waddell) asks several good questions of me. I have had the opportunity of serving on the Energy Committee with the Hon. Member for a number of years. The question the Hon. Member put to me is the exact question we

put to the Minister of Energy, Mines and Resources and the Parliamentary Secretary when the PIP grant was being dealt with. It was delightful to hear the Parliamentary Secretary, who was carrying the PIP Bill, say: "Look. For the \$7 billion worth of PIP grants which were given out during the period 1981-84, we identified some \$90 billion or \$98 billion of oil reserves, both in the East Coast offshore and in the northern areas of Canada". So it did not sound like a bad exchange to me.

We have heard the Minister of Finance (Mr. Wilson) talk about getting rid of tax expenditures because we cannot control them and because we do not know where they are going. Getting rid of tax expenditures is like providing PIP grants as opposed to capital cost write-offs or capital cost allowances which the Government is bringing in with regard to the oil industry. I think it would be interesting to put such a question to the Minister of Finance.

If he really believes in this business of getting rid of tax expenditures and if the Government is to vote money, then Parliament should vote that money to individuals rather than having them claim it. If he wants to be consistent, then he might want to bring back PIP grants rather than putting in place capital cost write-offs or an expenditure system.

● (1810)

The Hon. Member wants to know if there really is a free market. The market is decided by OPEC, the U.K. and a few other countries around the world.

I find it interesting that certain people do not want the Government of Canada, a freely elected Government even if it is a Tory Government, to set prices but they do not mind having the 15 or 18 OPEC countries set the price of oil. Unfortunately for the oil producing industry, those countries are not very successful at setting prices at a level which will allow us to take our oil out of the ground, particularly in the frontier areas.

Mr. Waddell: Mr. Speaker, the Hon. Member is really an expert in agriculture. He knows a great deal about agriculture and markets, much more than I do.

In a pure free market with pure free trade in oil, what would happen to Saudi Arabia and Alberta? Where would all the money go?

Mr. Foster: Mr. Speaker, I would not attempt to deal with such esoteric arguments as the Hon. Member has made. There really is no free market. The market depends on the interplay of dozens of countries and on how tough those countries are willing to play the game.

It seems to me that projects like Syncrude and the heavy oil operation at Lloydminster as well as projects on the East Coast should have the benefit of a much better energy policy than the one we have now. The present policy is seeing the industry shut down. The Minister of Energy has admitted publicly that he has abandoned the concept of the energy sector being a job-