

Canada Oil and Gas Act

It will probably take that to bring the present government to the realization that what is happening in the west and north-west is having ripple effects. We lose jobs, equipment and projects, and this means there will be massive lay-offs in eastern Canada. The oil industry is not made up entirely of multinationals; it is not the "Seven Sisters". It is not all made up of service stations and millionaires. The oil industry is made up of men and women with families and small businesses; it is made up of hundreds of small Canadian entrepreneurs. Let me impress upon you, Mr. Speaker, that those entrepreneurs are losing their interest in the industry today. They are just trying to hang on by the skin of their teeth.

Under Bill C-48 we are losing the ability to provide what is required by Canadians. The motion as presented by my colleague, our critic, would provide investment by Canadians in the industry so that they could make the decisions as to the direction and best management of whatever operation is involved. Surely we in Canada have come to the stage in life when we can see the benefits accruing to countries which rely on private enterprise.

I was reading an article the other day which said private industry is just about finished in Sweden. The government bureaucracy is going to take over. Let me assure you that when that happens in any country, its future is beset with problems.

The National Energy Program will result in a loss of jobs in manufacturing plants in central Canada. Jobs will be lost in steel mills and foundries, in plants manufacturing pipes, boilers and pressure vessels, valves, turbines, construction equipment, pumps, compressors and electrical and transportation equipment. Just think of all the trucks manufactured in eastern Canada which will never be sold because of what this government and this minister is doing to the industry in western Canada and the north.

These are just some of the companies for which there is no longer room in the scheme of things the government has embarked upon. Colonial Oil and Gas Ltd. has a 1981 exploration and development budget of \$20 million, of which \$10 million is earmarked for the United States. Ocelot Industries Ltd. plans to spend half of its \$84 million 1981 exploration and development budget in the United States. Bighart Oil and Gas Limited is investing 100 per cent of its 1981 \$5 million exploration and development budget in the United States. That company has also opened an office in Texas. Canada Northwest Land Limited will spend 75 per cent of its \$7 million or \$8 million exploration and development budget in the United States. Canadian Hunter Exploration Ltd. has offices in Houston, Denver and Salt Lake City where it is spending 90 per cent of its 1981 exploration and development budget. Lochiel Exploration Ltd. will spend a third of its \$15 million exploration and development budget in the United States. Omega Hydrocarbons Ltd. expects to spend a million in the United States this year. Ram Petroleum Ltd. will spend 90 per cent of its \$6 million 1981 exploration and development budget in the United States this year. Rupertsland Resources Ltd. will spend 75 per cent of its \$40 million 1981 budget in

the United States. PreCambrian Shield Resources will direct 40 per cent of its budget from a Houston, Texas, office. Scepter Resources Ltd. has an office in Colorado, and intends to spend \$38 million of a total of \$70 million corporate and drilling fund exploration and development budget in the United States. Another \$8 million will go toward international plays, and only \$24 million will remain in Canada. Prairie Pacific Energy Corporation's \$2 million exploration budget goes to the United States.

The list goes on and on and is as long as the list of companies in Canada. They are not looking for oil, and this is what is happening. These are all Canadian companies. What do we have to do to impress upon this minister and the government that we must involve private individuals in Canada in the process, as they were in the past and as they will continue to be in the future? That will not be the case if the government continues to lead us on this course.

Pundits and oil experts ask what sort of conditions will have to be created in this country to patriate the money and the invaluable technical expertise. A Calgary writer states:

However, with returns in the U.S. for oil so vastly greater than in Canada, and with the gap widening, it would appear these investment dollars have found a permanent home.

Why not? Why would they not stay there as a result of the way they have been treated in Canada? The loss to Canada is an incalculable blow to the objective of energy self-sufficiency. We shall never attain that if we follow the direction in which this government is leading us.

The stated aim of the energy program, as I said earlier, is, supposedly, Canadianization of the oil industry. What this government has done, and there is adequate proof, is to Americanize the industry at a tremendous cost to our people; lost jobs, lost drilling rigs, loss of our accumulated expertise, and the loss of our energy self-sufficiency goal. They, and by that I mean the people living south of the 49th, will attain energy self-sufficiency long before we will, simply because of the programs they have embarked upon, and because they rely on private enterprise to do the job for them.

The current casualty report shows that over 131 drilling rigs will leave the country this year, leaving only 471 behind. Drilling days will decline from 140,000 in 1979-80 to 92,000 in 1981-82.

● (2020)

Perhaps the Minister of Finance (Mr. MacEachen) does not realize that next year and the year after, these people who have lost their jobs will not be paying income tax. In fact, they will be writing in for refunds. Just think of what that will do to the national treasury.

I noted, as a result of a question in the House yesterday, that it is costing Canadians 25 cents out of every dollar the government spends to finance the national debt. The government is only adding to the national debt by this policy.

We are embarking upon a disastrous course. If the members opposite continue to follow the minister in this disastrous—