

situation, as most of his time here in Ottawa has been spent in dealing with political manipulations. I think he is getting his eyes opened. Perhaps he is a concerned man, but apparently he is not going to back down, for whatever reasons, and we are going to have to suffer the consequences.

In addition the Independent Petroleum Association of Canada has further criticism of the energy policy. That organization represents the very group the budget is supposed to help, small Canadian oil companies.

The association claims the tax regime and the national energy policy will cut cash flow by 22 per cent to 33 per cent, and that could certainly hurt small and medium-sized Canadian firms. There is no question about that; they just cannot stand those reductions. The 8 per cent tax on gross revenues is not deductible and this translates into a deduction from corporate profits of 25 per cent. There is no way small firms can stand a 25 per cent reduction in profits.

The Liberal government, through its budget and energy package, has made no allowance for inflation accounting. The government does not realize today that companies have to make exceedingly large profits to survive because of inflation, yet I have never heard any Liberal cabinet minister, a finance minister or any of the rest, talk about inflation accounting to make allowance for inflation when dealing with profits of oil firms or any other firms.

The IPAC says the national energy policy works against two of its major objectives, Canadianization of the industry, and security of supply. The new system is reducing investment in Canada, shifting it to the United States. The national energy policy is seen to delay energy self-sufficiency. Dow Chemical and the Independent Petroleum Association of Canada have said the Liberal energy policy will delay energy self-sufficiency, and one big reason for this view is that private investment is being reduced.

What the Liberal Party is working toward is having this country at the mercy of multinationals. That party is the best friend the multinationals and the OPEC countries have ever had. We are doing more to create work and jobs in OPEC countries than in Canada.

The Canadian Association of Oilwell Drilling Contractors reported that 11,360 rig workers have lost their jobs since the October 28 budget, and the effects of this Bill C-54 will be driving more out. As my colleague, the hon. member for Esquimalt-Saanich (Mr. Munro) says, the government has the full backing of the NDP. Another 28,000 workers in oil-related industries throughout Canada will lose their jobs by March. In total, 40,000 Canadians in oil-related jobs will be out of work by spring. They can apply for the Canada Works program, and that is the Liberal Party's alternative to all these people who are going to be losing their jobs.

The association has also said 43 drilling and 15 servicing rigs have now gone to the United States. This figure has probably increased since the latest figure quoted by the hon. member from Lethbridge today, and I am sure the figure is

increasing daily. A record 174 drilling rigs have gone out of service and remain in Canada gathering dust.

The National Energy Program and the lack of an agreement with Alberta are causing delays in virtually every tar sands project in Alberta. Without the development of the tar sands there will be no hope of reaching energy self-sufficiency.

Additional devastating facts were revealed to me today during a conversation with the hon. member for Red Deer (Mr. Towers). He informs me there are 800 trucks in his area related to the oil industry sitting idle, doing nothing. Three cheers for the Liberals and the NDP! I am sure they are proud of this record.

Let me quote from statistics the Leader of the Official Opposition (Mr. Clark) used in a speech delivered to the Scarborough Rotary Club on January 20. He was talking about the dangers of this Liberal policy, and he pointed out:

I emphasize, all of Canada, because it would be a serious mistake for anyone in Ontario to believe that the current dispute over energy is simply an issue between the federal government and the people in governments of western Canada or of Atlantic Canada. Certainly, the west has a vital stake in the questions that are now before the House. Without question, current federal policies—whether they have to do with transportation, energy or anything else—are threatening the economic well-being of western Canada and, far more dangerously, they are threatening the strength of the commitment of that region to our common country. So does Atlantic Canada have a direct and a vital stake. As you may well know, Mobil has pulled back from its participation and the development of the important Hibernia field, at least until the question of offshore jurisdiction is settled.

We are coming to a grinding halt in respect of self-sufficiency in this country.

The Leader of the Opposition also pointed out to the attendance:

Your stake in the energy issue, as a resident of Scarborough and of Ontario, doesn't stop with the question of the ability of the country to hold together. Your energy security, and the energy security of your children is involved directly, and so is the economic development of this province. The energy policies of Marc Lalonde put the province and the people of Ontario in double jeopardy. They mean that you may well not have the energy you need three or four years from now. They mean you may well lose the energy contracts and the energy jobs that can get the economy of Ontario and of Canada moving again.

I guess we do not have to worry too much. The Liberals are working on policies of gas rationing. I suppose that will be the next thing they will be introducing.

The Leader of the Opposition went on to say:

Let me tell you exactly how those policies threaten your energy security and threaten your economic prospects. Up until now, the people and the industries of Ontario have been able to get all the energy they need from Canadian sources. We have, as a nation, put in place production and distribution systems which ensure that all of Ontario's oil and gas needs are met from Canadian sources. That has put this province in a far more secure position than the five more easterly provinces, Quebec and the four Atlantic provinces, who have to depend today for up to 60 per cent of their petroleum supplies on imported oil—oil whose supply we can't control, oil whose price we can't control.

We are one nation, and a serious disruption in oil imports to eastern Canada—to the five provinces that have a 60 per cent reliance on OPEC—would trigger a rationing system, which is in place under Canadian law—

Just let me go into a little bit of the history of the shortage of oil. This problem was recognized in the 1950s and when the Diefenbaker government was formed in the early 1960s it recognized the problem and introduced the Roads to