

*Excise Tax*

industrial provinces of central Canada. The Trudeau government has failed to maintain an adequate or competitive industrial climate by not providing or encouraging sufficient research and development. The young people of Quebec and Ontario are now reaping the rewards of this Liberal government's stupid and ineffective economic policies. But the wonder of wonders is: Do these young people know that when they head west to the promised land, Trudeau and Lalonde will have been there before them?

**Mr. Collette:** Order. You should refer to the Right Hon. Prime Minister and Minister of Energy, Mines and Resources.

**Mr. Dantzer:** Are they aware that the jobs and security they expect to find do not exist because the Liberal government and its national energy policy has effectively ruined the industry and the economy in western Canada? These young people will find, if the government pursues its policies as exemplified in this bill, that there will be no jobs or security whatsoever in western Canada.

When I started this speech, I mentioned that the government, in order to meet its desperate requirements for cash, devised a three-pronged attack on the pocketbooks of Canadians. I have mentioned two of them: first, the resort to inflation and, second, the attack on provincial resources. The third arrow in the government's quiver has not yet been revealed, but it is in the making. Of course, that will be the attack on the pension funds collected from each working Canadian and each employer. At the moment only the provinces have attacked these funds and used them to meet provincial deficits and other requirements. In doing so, they are paying considerably less than the going rates of interest. I suggest we will shortly hear of the government's plan to increase greatly the Canada Pension Plan contribution; perhaps it will be doubled from 3.6 per cent to 7.8 per cent. Of course, this will have the effect of greatly increasing available cash. I suggest the federal government will ensure that it obtains at least 50 per cent of these available funds; but I believe that is a story for another time in the near future.

**Some hon. Members:** Hear, hear!

**Mr. Elzinga:** Mr. Speaker, I rise on a point of order. As tempted as I am to do it, I will not. But I put the hon. minister on notice that, in the event we do not have a quorum in the House shortly, I shall call for a quorum vote, if he wishes consideration of this legislation to proceed.

**Some hon. Members:** Where are the Tories?

**Mr. Elzinga:** There were only four Liberals present when I rose on my point of order.

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, I thank the hon. member for Pembina (Mr. Elzinga) for getting me an audience. I want to make a few comments in this debate this afternoon. I will not speak long, but I want to sound a warning to my colleagues from other parts of Canada about the effects the National Energy Program is having in western

Canada and about the perceptions of western Canadians of our country, perceptions of deep concern to me.

Specifically I want to speak about the 8 per cent tax on gas and oil production in the bill before us today. This tax points out the policy of the government across the way. It is a policy more of confrontive federalism than co-operative federalism. It is a policy which is arousing the ire and concern of more and more reasonable people in the west. In fact, this morning the government of Saskatchewan took a challenge to the Court of Appeal of Saskatchewan on the 8 per cent tax on the production of gas and oil. I predict this challenge will end up in the Supreme Court of Canada, either appealed by the Saskatchewan government or by the federal government, depending upon whether or not Saskatchewan wins its case in its own court. The main reason they are challenging the legislation is that, for the first time in our history, the federal government is taxing provincial Crown corporations. I suggest that move is wrong.

In fact, I believe the entire 8 per cent tax is wrong. It is wrong for the following six reasons. It is wrong because it is a regressive tax. The 8 per cent tax hits the large companies like Imperial Oil as hard as it hits the small companies in Saskatchewan and Alberta. It does not differentiate between the rich and the poor oil companies in the country. For those reasons I believe it is wrong.

Also it is wrong because, as I said, it taxes Crown corporations. Who would have dreamt a few years ago that the Government of Canada would impose in a budget a tax on provincial Crown corporations? What kind of dangerous precedent or what kind of constitutional war could the country become involved in if the Government of Canada gets its way in imposing unilaterally, without notice or negotiation, a tax on the Crown corporations of the country which are owned by the people through their provincial governments? There is a danger that the provincial governments will retaliate and impose a tax on federal Crown corporations such as Petro-Canada, Air Canada and CNR. What kind of a war will there be between the federal government and the provinces if this type of nonsense goes on?

Third, it has been previously documented in the House by my party that a number of people are losing their jobs because of the national energy policy and the 8 per cent tax. I am thinking of southern Saskatchewan, western Saskatchewan and the area of my colleague, the hon. member for The Battlefords-Meadow Lake (Mr. Anguish), where people are losing their jobs because of the fact that the national energy policy is imposing a tax which is driving rigs out of the country.

Fourth, I believe that when the government imposes the 8 per cent tax, not only the companies pay. Eventually it will pass the tax on to the consumer, and the consumer will be paying at least 8 per cent more for petroleum products, for gas to heat their homes, for gasoline to drive their cars, for farm fuel and the like.

Fifth, it is also wrong because it represents what I believe is an illegitimate revenue grab by the federal government in a