

The oil industry sounded the alarm. The Canadian Petroleum Association has sounded the warning in a small brochure which it puts out, saying that we can choose between one of two alternatives. It explains what will happen if no exploration takes place. Canada will be short of oil. It states that if Canada explores and develops, there will be oil. Of course finding, developing, transporting, refining and marketing are a costly business. They estimate the cost at \$30 billion.

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There has been a lot of criticism about oil company profits. In the industry's brochure it is pointed out that the profits for the years 1970 to 1973 were about 12 per cent. That is not much more than the yield on the government's Canada Savings Bonds which bear no risk.

The government has indicated that it wants to cut expenditures. Here is the oil industry offering to save it a \$30 billion expenditure to find oil. Recent remarks by other industrialists in this country have indicated the dissatisfaction and lack of wisdom in the course the government intends to follow.

At the annual meeting, Ian Sinclair of Canadian Pacific, a group of companies, talked about examples of government involving itself unnecessarily in business functions. He said:

Such intrusions are frequently accompanied by the explanation that "business has failed" to do this, or to do that. What has usually happened is that business has been prevented from doing it because of tax policies, or government interference with markets, or uncertainties injected either by sudden changes in government policies or by contradictory policies at different levels of government.

He went on to say that Canadians have felt that our abundant natural resources were our surest guarantee of future wealth, but now federal and provincial governments are squabbling over them like contending heirs. He also commented on the risks involved in searching for resources. He said:

There is enough risk in resources development without injecting these additional hazards.

The risks that are inherent in resource projects cannot be reduced by transferring them to public ownership. That would simply enforce risk-taking on a lot of people who do not want it. Moreover, results of publicly owned enterprises both here and abroad give us fair warning of the disappointments that public ownership breeds.

There are other statements which, in the interest of time, I will skip.

In my remarks in the second reading debate, I drew attention to the abysmal performance of the government in operating its 59 Crown corporations that now exist. This month on the desk of all hon. members appeared the Labour Canada information sheet. In summary, it states that in April of 1975 there were ten work stoppages in the federal jurisdiction that involved 6,007 workers and the loss of 126,000 man-days. Such a lack of management skills is bad enough in the post office, airlines and so on, but what if it were in the national petroleum company? It would be far more serious.

The fundamental principles should be that the government takes a low profile and provides those services that are necessary and that the enterpriser cannot or will not provide. However, this government wants to involve everybody in a direct manner. It refuses to recognize that

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the corporate giants are really just a legal piece of paper. They are all made up of shareholders who are eventually just people. For example, every worker in Canada who contributes to a pension plan has an investment in some corporate giant.

One might pause to give serious thought to the effect on the enterprisers of Canada, and the enterprise system which has built Canada, of government action such as Bill C-8. That well-known enterpriser from Toronto, John Bulloch, tailor, recently placed an advertisement which related to the old story of "The Little Red Hen" in political terms. After the cries of "excess profits", "capitalist leech", "equal rights" and so on, the little red hen was forced to give up 80 per cent of the production of bread for the benefit of her barnyard neighbours. Predictably, of course, the neighbours always wondered why the little red hen never baked any more bread. One might ask when Canadians will wake up one morning and wonder why the oil industry has not produced any more oil for their factories, furnaces and automobiles.

Finally, I would like to take a look at our friends south of the border. Many Canadians hesitate to draw comparisons with the United States, but inevitably United States history seems to filter north to become our current events. I thought the remarks of the U. S. Secretary of the Treasury, William Simon, earlier this year were very interesting. He said:

I find three long-term trends disturbing and potentially the most destructive within our economy. The first has been the massive growth of government . . . that has sharply accelerated since the mid-1960's—

A second trend that has been gradually weakening our free enterprise system is . . . that increases in productive performance are required, . . . to create new jobs and support a higher standard of living. Yet, as a nation we are rapidly expanding public payments to individuals, but neglecting to provide adequate incentives for new investment—

A third trend that is highly damaging has been the progressive acceleration in the rate of inflation over the past decade.

He concluded:

To attain lasting prosperity, however, we must summon all of the wisdom and strength at our command to attack the more enduring and fundamental forces that grip our economy.

First, we must curb the momentous growth of government in this country . . . Second, we must maintain and strengthen the foundations of our free enterprise system by shifting the emphasis of our domestic policies away from consumption and government spending and toward greater savings, investment and capital formation.

The Liberal government of this country does not appear to have reached any of these conclusions. Just before the media reports that Bill C-8 has easily passed the House of Commons, I want to say that I deplore this kind of legislation and that tonight's vote will be my final attempt to save Canadians from further encroachment by government.

**The Acting Speaker (Mr. Penner):** Order, please. It is the understanding of the Chair that at this time the Minister of Energy, Mines and Resources (Mr. Macdonald) is to be recognized.

**Mr. Macdonald (Rosedale):** Mr. Speaker, the hon. member for Peel-Dufferin-Simcoe (Mr. Milne) has waited with great patience. I wonder if the House might be kind enough to let him have a couple of minutes of my time to contribute to the debate.