

Income Tax

● (1550)

I submit that in this situation the precedents are that if such a declaration of principle is acceptable, it must be opposed to the principles or provisions of the bill; and I cannot find any authority which permits it to be opposed only to some of the provisions of the bill as the hon. member's amendment is. Therefore, I cannot find any authority to extend and I think it would be an unwarranted extension of a declaration of principle to a second reading amendment to allow a declaration, in this case, which purports to approve some provisions of the bill and therefore disapprove of only some of its provisions. In other words, I think that a strict condition of such a declaration of principle is that it must be opposed to the provisions, plural, of the bill and the principles of the bill, and not some of them. For that reason, I cannot accept the hon. member's amendment as being in order.

Mr. Lambert (Edmonton West): That's terrible. All right; I'll have something to say on third reading.

Mr. Speaker: Order, please. Is the House ready for the question?

Some hon. Members: Question.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, yesterday at five o'clock I had the floor when the debate was adjourned and indicated that I wanted to speak today. I will be followed by other colleagues from my own party. In November of last year our party had many severe criticisms of the budget. I think those criticisms have all been borne out to the point where now the criticisms we have are even more serious than those of November. For example, the world economic condition has worsened and unemployment has increased around the world. In this country the cost of living has increased, housing starts have decreased and in general we are facing a more severe economic crisis than we were last November.

Just yesterday in the *New York Times* I read some statistics from the U.S. treasury which predicted that the unemployment rate for the U.S. in 1975 will be 8.1 per cent, and in 1976 it will be 7.9 per cent. I think on that basis it is very important that the Minister of Finance (Mr. Turner) come forth with some new ideas. If he does not do that now, I predict we will have a mini-budget in April, May or June in order for him to provide more stimulus to the economy and create more jobs.

Then we had the announcement in the House of the new deal with Syncrude. I think this is very relevant to the bill we are discussing today regarding corporate taxation and the relationship between the federal government and the huge corporations of this country. We have in the Syncrude arrangement about \$1 billion in public funds from this government, the government of Ontario and the government of Alberta going to rescue the private consortium of Exxon, Cities Service and Gulf Oil in developing the tar sands of northern Alberta. Despite this huge amount of public money, we find that we do not have any control over the development of the tar sands. We have no guarantee of a profit from our investment in the tar sands and we have no idea what arrangements have been made between the federal government and the syndicate.

[Mr. Speaker.]

It strikes me as very strange that our governments should invest about \$1 billion in a project over which we have no control and we shall not receive any profit out of the arrangements which have been made. I suggest that the House ought to protest this situation and demand to know what arrangements have been made. I think the time has come, if we are going to spend that much money to rescue a consortium of private corporations, to take control of the project. I see no reason why the oil industry, in this country, and particularly the tar sands should not be developed under wholly public ownership. I have an answer for the consortium—for Syncrude and the private corporations—which is very simple: Get out of this country; we don't need you. We will give a one-way air ticket to Exxon to New York, to Cities Service to Oklahoma, and to Gulf Oil to Oklahoma. We certainly should not be subsidizing private corporations with such a huge amount of money.

I have friends in the Conservative Party who ask how we can achieve public ownership if we do not have enough money to do so. The government of Quebec, through Hydro-Quebec, is developing the James Bay project. I am not arguing the merits of that matter, but Quebec is going to raise \$14 billion or \$15 billion for that project to be operated under public ownership. Years ago the government of Ontario developed hydroelectricity in Ontario under public ownership and there is no reason why the gas the oil resources of this country should not be treated as a public utility, for public use, under public ownership and control. We have the funds in this country and we have the technology. I suggest we use them.

If one looks around the world, almost every country has control over or total ownership of gas and oil. Britain has 51 per cent ownership in all future projects. Japan, France, most of the western European countries and even the small states, the OPEC nations, have moved to control or assume ownership of their gas and oil. It strikes me as very strange that our country should be among the last in the world to have public ownership of gas and oil, and I think it is about time we moved in that direction. As the hon. member for Calgary South (Mr. Bawden) said, we have to start in Saskatchewan. I commend the Saskatchewan government for establishing Sask Oil. If the federal government would co-operate with them toward public ownership of gas and oil, Sask Oil could move much faster than is possible at the present time. Sask Oil's budget would be increased at a very rapid rate.

Let us consider Syncrude in Canada. We find that there are three governments as well as three corporations involved, and that Syncrude has been guaranteed what is called an internationally-oriented price. The minister in the House today said that this means the price would be based on cost at Montreal plus the cost of transportation to the area of destination, relative to the quality of the oil. What does that mean? Venezuelan oil was quoted yesterday at \$13.61 per barrel. That is more than double the price we are now paying for oil in this country. Is that going to be the internationally-oriented price, plus transportation costs and any other costs which enter into the price? If so, what kind of deal is that for the people of Canada?

I see my Quebec friends across the way and I wonder what the Parti Quebecois is saying to the people of