

Canada Petroleum Resources Act

Conservatives' energy policy when the Conservative Party was in opposition. If one looks at the briefs of the Canadian Petroleum Association to the Senate Committee on Energy and, to some extent, to the House of Commons Committee on Energy, that can be seen. Literally, word for word the Conservative policy is taken out of the briefs of the Canadian Petroleum Association in 1983 to the Senate Committee on Energy. These same words reappear in the Conservative Prince Albert declaration. The main point was to get rid of this horrible confiscatory, retroactive back-in provision. This horrible back-in meant that for all this money the Canadian people spent, Petro-Canada, the Canadian Government's oil company, would get 25 per cent of the action. Compare that situation to the situation in Norway where the regime is much stricter. But according to the multinational oil companies this was terrible. They felt it was stealing, despite the fact that we advanced a great part of the money through direct grants or tax advantages to those companies, many of which do not pay any income tax, and despite the fact that the resources belong to Canada, thank you. They belong to the Canadian people not to Shell, Mobil or Exxon. Some day, Mr. Speaker, the Canadian people will wake up.

● (1610)

I remember the recent history of Quebec. I see the Minister of Energy, Mines and Resources (Mr. Masse) in the House. The Quebec people woke up in the early 1960s. They realized they were being exploited by the English and that they had to do something. They had to become *maître chez nous*, and take some control over their society. They modernized their society, and as a result there were lots of changes in Quebec. We got some incredible politicians, the Trudeaus, the Lalondes and maybe the Masses. Who knows? We will see. It is ironic I think—

[Translation]

It is ironic that we should have a Minister from Quebec, and that his first energy bill in this House should be a proposal that would grant the big American oil companies everything they are asking for.

[English]

I wish I could speak a little better French but it seems to me ironic that we are caving in to the demands of the Americans and the large oil companies. I think that when the history of Canada is written after we are all gone it will show that the National Energy Program was a great thrust in trying to take control of our own resources. This clause is one of the greatest sell-outs and it will go down in history that this little obscure clause in this big Bill states that:

All rights of Petro-Canada to acquire further interests, or shares in interests as a result of the operation of Section 33, 120 or 121 of the Canada Oil and Gas Land Regulations are abrogated as of March 5, 1982.

In other words the back-in is gone, Petro-Canada has been excluded, and the Government has caved in to the interests of the Canadian Petroleum Association and to our great friend but also the great elephant that can sometimes cause us some

trouble, namely, the United States of America. I think this is tragic, Mr. Speaker, and that is why I proposed this amendment.

Mr. John McDermid (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, that was a typical speech from a socialist. I understand where it has come from and where the mind-set is. I might point out to the Hon. Member that this clause has been around since 1982. It is nothing new. It is just a reaffirmation of the old Bills. For the Hon. Member to try to paint a picture that this is something new, different and marvellous is wrong. It is just a clause that has been in the Bill since 1982 and we are just reaffirming what was there.

Mr. Paul Gagnon (Calgary North): Mr. Speaker, I listened with utter amazement to my good friend, the Hon. Member for Vancouver Kingsway (Mr. Waddell), who said that the previous motion came from the oil industry. It was not recommended by the Canadian Petroleum Association. It was not recommended by the Independent Petroleum Association of Canada. The hon. gentleman was present at the committee hearings when those organizations made their presentations.

Let me point out that I moved the motion to deter the growth of bureaucracy. It is obvious from the comments of the Member for Vancouver Kingsway that he likes bureaucracy, that he likes a big, bloated, expensive bureaucracy. The people of Canada do not want that. They do not want to pay for any more follies of the socialists.

Some Hon. Members: Hear, hear!

Mr. Gagnon: To come back to the current situation. If you look at the fiscal year which ended March 31, 1986, the PGRT revenue was \$1.5 billion greater than the PIP expenditures. In other words, the oil industry paid \$1.5 billion more than it got back in PIP grants. Yet the Member stood up and said "Oh, it is a big giveaway". Maybe he should say it is a big rip-off of the oil industry and the people of western Canada.

Let me quote from Doig's Digest for June 1986. Concerning the PIP program, Mr. Doig said:

In the last five years, finding costs of frontier reserves have increased four-fold—PIP grants account for \$6 billion—\$240 per Canadian—or 70 per cent of the expenditures. The normal checks and balances fell by the wayside. . . . But the pre and post NEP costs are out of line. Two-thirds of the frontier reserves found in this period have been found in the first 15 years while two-thirds of the expenditures have been made in the last five years.

What does that mean, Mr. Speaker? It means that the socialists went through all that money. They grabbed it from the western Canadian economy and wasted it. It was an atrocious situation.

What the Member wants to do is to make it retroactive to steal from someone. It is like having a world series game and in the third inning, instead of having nine players, we would have 12. Is that the way to play the game? I say no. That is not fair. This provision has to go and that is what we are doing.