

about it and about the implications of this particular bill on that total industry, at least that side of the total oil and gas industry.

Yesterday I was privileged and pleased to participate in the Committee of the Whole House on this same bill. I found it was a very frustrating and quite unsatisfactory debate. Here we were discussing energy issues of vital concern to western Canada and especially to Alberta and especially on all taxation matters relating to natural gas. It was a disappointing committee stage, primarily because this bill is the official responsibility of the wrong cabinet minister. The hon. Minister of State for Finance (Mr. Bussi eres) is a very genuine and sincere minister. I worked with him a year ago on the Standing Committee on Finance, Trade and Economic Affairs when we were discussing the Bank Act.

An hon. Member: Good man.

Mr. Hargrave: That is when we were discussing the implications of agriculture on the Bank Act, a very important part of it. I would say his expertise is not in the area of oil and natural gas in all its various aspects, in our Canadian exploration and production. The Minister of Energy, Mines and Resources (Mr. Lalonde) should have been the responsible minister for this bill. After all, it is totally about energy. He should have attended yesterday's committee stage and participated as well in this final third reading debate today.

Natural gas is historically part of our Alberta heritage. The city of Medicine Hat and most of southeastern Alberta is underlaid with rather vast resources in natural gas. Today we in the city of Medicine Hat and all of southern Alberta and southwestern Saskatchewan are deeply concerned about the negative developments following the introduction of the National Energy Program in the October 1980 budget.

The atmosphere in yesterday's committee stage was not conducive to a reasonable exchange of comments from opposition members and at least a genuine attempt at an answer from the Minister of State for Finance.

The hon. member for Sarnia-Lambton (Mr. Cullen) participated with a speech only. He had no questions. I would like to respond in part at this time. Here is a direct quotation from page 17802 of *Hansard* of part of his speech:

I have a very vital interest in the National Energy Program and, more particularly, in the negotiations which were carried on, happily and satisfactorily to the benefit, or at least to the mutual credit, I would say, of the three producing provinces and the federal government.

Now present day circumstances in the oil and gas industry are certainly not in the "happily and satisfactorily" beneficial state. This was a very inaccurate statement. It is very well known by all of us from the west that our petroleum industry has been in a declining and worsening state ever since the introduction of the National Energy Program over a year and a half ago. If the hon. member for Sarnia-Lambton had been anywhere in western Canada, he would be well aware of the real situation and he could hardly avoid the reality of our western situation now. A little later on in the same speech, the hon. member for Sarnia-Lambton, in response to a question as

to how he was received when he visited the west, had this to say:

They received me very well because they are quite often surprised to hear that there is another side to the issue and that countries with oil production feel it appropriate when they sometimes give depletion allowances and, in other cases, capital cost allowances.

Now, listen to this:

They are all significant areas of federal tax positions which made it possible to discover this oil in the first place.

Well, that is quite a statement to make. Again, here is this very inaccurate and misleading statement, I must say. It is well known that it was American capital, and initially American expertise that made Alberta's oil and gas industry possible. It is a well known fact throughout the west. Without that United States capital financing we would still be waiting for federal and central Canadian capital funding.

Now a word about my own city of Medicine Hat. In my nearly ten years of representation of my home city and all of southeastern Alberta, I have never seen such serious concern and despair over any issue as we now have, due entirely to the punitive and discriminatory natural gas taxes in this legislation. Already over \$15 million has been paid by the city of Medicine Hat to the federal government for these gas taxes. But they are being paid under protest. The city of Medicine Hat owns its own utilities, it has always owned them and has developed its own electrical power by the use of natural gas.

At present the mayor, Ted Grimm, and council insist that these taxes are both illegal and unconstitutional. There is at present a court case under way in Calgary to determine the legality of the application of that tax. Some citizens are so upset that they are refusing to pay the natural gas portion of their utility bills.

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On April 19 last I was privileged and pleased to present a petition on behalf of 12,689 adult citizens of my city who strongly oppose these gas taxes, which are already causing an over 100 per cent increase in their utility bills, and that is only over a period of one and a half years. That petition also fully endorses the city's legal action against the federal government. I can assure hon. members that this is a very harsh reality to be faced by the elderly and retired citizens in my home city. There is a great number of retired farmers in my city, mostly from southwestern Saskatchewan, who for years have been moving to Medicine Hat for their retirement, primarily because of natural gas.

Now there is a special situation pertaining to Alberta's greenhouse industry which requires some special comments. Just a week ago today there was a special protest meeting, so to speak. It was a public meeting held in the town of Redcliff to discuss the situation and what the natural gas taxes have done to Alberta's greenhouse industry. It was a very significant meeting.

I want to remind the House that Alberta's greenhouse industry is the fourth largest in all of Canada, so it is a very important one. It was founded primarily because of the