

Petroleum and Gas Revenue Tax Act

horror Tory". The Minister abandoned the whole question of self-sufficiency during the first four or five years of 1980 that we had set as a period in which to become self-sufficient in energy production by the end of this decade. In fact, we achieved that by 1983 with exploration and development going on in the Beaufort Sea, in the Hibernia, in the Atlantic shelf, and the increased activity in the western sedimentary basin with the non-synthetic crudes from the Syncrude and tar sands. Two years after this Government came to power with its policy of self-sufficiency, it was abandoned by the Minister of Energy, Mines and Resources this fall. The editorial in *The Edmonton Journal* issue of October 29 said:

Now, after finally acknowledging that the "situation in Alberta is a catastrophe", he offers nothing but paternalistic smarm to comfort the 55,000 Albertans who stand to lose their jobs this winter.

"A catastrophe situation requires a response, but not just any response", says Masse the procrastinator.

Not prepared to consider Alberta's proposal for an oil price stabilization plan, Masse seems happy to let this province's oil patch languish until next January when he holds court over a federal-provincial conference of energy Ministers.

Masse's response is not just "any response"; it's no response.

I think that is the part that breaks the heart of the smaller producer. It is interesting that the Hon. Member for Calgary South talked about the people from Alberta. There was a poll taken which showed that 51 per cent of Albertans wanted a free market price. Everyone wants a free market price if it is high enough, but clearly many of the small producers—and Premier Getty of Alberta has said this many times—want to see a cash flow stabilization program put in place. When we look at the reduction of \$1.5 in tax revenues over the two or three years, we wonder about the main benefit going to some 25 of the largest producers, the multinationals, which may send the money back to their parent companies in the United States or may reinvest and buy up small producers and oil and gas exploration companies. If we are able to forfeit that much in revenue, why could there not be some assistance for the smaller Canadian companies in a kind of petroleum stabilization program which the premier of Alberta has pleaded with the Government to establish?

I believe that this winter things will be so difficult and disastrous that the Minister will come on board and agree to that some time in January, perhaps, when the federal-provincial Ministers meet, but it is certainly a tooth-pulling exercise to get the Government to respond to these tremendous needs, which are not only destroying our movement towards self-sufficiency but are costing thousands of jobs not only in Alberta but throughout the Canadian economy. The oil and gas sector is important throughout Canada not just in the western basin. We support this Bill because it provides assistance to the industry. However, we think it is not going to provide the assistance which is needed for the smaller producer who employs a lot of people and who has the potential to assist this country in a desperate time for the oil and gas industry.

• (1800)

Mr. Gormley: Mr. Speaker, I welcome this opportunity to offer a comment on the debate today. Like many western Canadian Members, I am disappointed but not particularly surprised to hear the Liberals and their friends in the NDP lamenting the passing of the petroleum and gas revenue tax. This tax and its terrible implications on the oil business not only in Alberta, where it is characteristically seen as having done so much harm, but in my Province of Saskatchewan are very evident. For example, in my community we see that companies such as Gulf Oil and other large and small companies have had placed on them unjustifiable financial burdens. The fact is that the PGRT taxed revenues and not profits. The fact is it was arbitrary and unilateral. It was introduced without consultation. Western Canadians, and in particular those in the western part of Saskatchewan, will have seen the commitment our Government has made to the oil industry in general and particularly to the companies affected by the PGRT.

I would like to take this opportunity to congratulate a few of my colleagues for the work they have done. First, I congratulate the Minister of State for Finance (Mr. Hockin) on his remarks today. I also congratulate the Hon. Member for Calgary South (Mrs. Sparrow) who, through her work on the Energy Committee and in the House, has made clear to Canadians the reasons for the PGRT being removed altogether and why our Government has acted to this end.

I will now take my seat to allow other Members from my Party to speak further on the matter.

Mr. Foster: Mr. Speaker, I am pleased to respond to the comments of the Hon. Member for The Battlefords—Meadow Lake (Mr. Gormley). I had an opportunity to visit his area last year about this time. I visited the Husky upgrader and saw the plans for development in the Lloydminster area. I would certainly like to see the whole project go ahead. As I have mentioned, in terms of Syncrude, there should be a regime in place to see that these types of production go ahead. These are long-term projects which cannot be started quickly and ended quickly. There has been a great deal of impressive research done in this area, especially by Husky. I was particularly impressed by the number of jobs that were created in the area. I hope that the Government will not only remove the PGRT but that it will provide the type of assistance and energy policy which will take us forward.

I recall being with the Hon. Member for The Battlefords—Meadow Lake at a dinner sponsored by the Commonwealth Parliamentary Association. One of the people at that dinner was an active member of the Progressive Conservative Party. This dinner was about one year ago. At that time this PC Party member and I were talking about the 1,500 or more gas stations the Government was purchasing from Gulf. He described to me how he had written to the Prime Minister, whom he had supported in the election campaign, stating that he could not imagine why Petro-Canada was buying out a