

Petroleum and Gas

federal Government, which is another problem. When the oil companies say "Help our cash flow", we know what will happen. There is a pattern in Canada. The pattern is that they say we have to export—and this is what is happening with natural gas—and that they need to increase their cash flow. Then the Government allows them to export, they make money, and then they come back and say: "We do not have enough resources. We need more money to find resources". Then they are given more breaks, more cash flow, with which to find resources. They find the resources and they say: "Now we have the resources, we have to export them".

Mr. Malone: Tell us about the NEP.

Mr. Waddell: Tommy Douglas once said that Canadians were fools to get saddled with an energy shortage in oil and that we were double fools to have a gas shortage in the future.

I want to say what is wrong with the NEP, and I will mention John Laxer as well. My friend wishes me to do that. The problem with the NEP is that it was flawed in a number of ways, one of which we are dealing with in this Bill, The PGRT. It was a difficult task for small oil companies and so on. It was flawed because it shifted exploration with all the tax breaks from Alberta and in the western sedimentary basin in Saskatchewan, where it really should be, to the Beaufort Sea and offshore. It did that because it was a power struggle. It was the federal Government trying to get power in areas which it controlled—the north and offshore. It does not have power in Saskatchewan, Alberta and British Columbia. Part of it was a power struggle.

I spoke out against the NEP and Jim Laxer said that I should have supported it. The NEP was flawed because a good energy policy should have focused on developing the resources of Alberta, Saskatchewan and British Columbia. I believe even my friend to my right will agree with that. He understands that; he is from western Canada. It was flawed because it tried to Canadianize the industry in a very complicated and expensive way by these Petroleum Incentive Program grants. They were going to give away \$8 billion from 1982 to 1986 in PIP grants, yet we have trouble obtaining money for post-secondary education and pensions. That was \$8 billion to the oil companies to help their cash flow; from 80 cents to 93 cents in some cases, on every dollar.

I say to Jim Laxer and to the House—and I have already said it, as has the Leader of my Party—that we would have done it in a more simple way. We would have spent the money by nationalizing or taking over one of the major oil companies, such as Imperial Oil, and not giving PIP grants. We would have had 50 per cent Canadian ownership by 1990 by doing that alone, and we would have saved money in the process compared with these expensive PIP grants. That was our policy. It was a clear policy. We will stand by that policy anywhere in the country.

Mr. Malone: You're darned right, 50 per cent taxes.

Mr. Waddell: We are seeing a retreat from the NEP. That is what we see in this Bill. We predicted a retreat from the

NEP after all the heat came on the Liberals from the industry. It is a powerful industry, aided by Americans who now have a new poodle in Canada. That poodle is called "Brian, Brian Mulroney".

Mr. Taylor: Mr. Speaker, I rise on a point of order. The Hon. Member has no right to use the man's name. We are always cautioned on that. Why does it not apply to everybody?

The Acting Speaker (Mr. Guilbault): It should apply to everybody.

Mr. Waddell: I agree. I will say, then, that the Americans have the Hon. Member for Central Nova (Mr. Mulroney) on a leash and they are taking him out for a walk almost daily, when we listen to his speeches on energy.

As I was saying, we are seeing a retreat from the National Energy Program. We see it in these amendments. Does the Government want higher prices for oil companies? I will tell the House how it can be done. It is simple. We have a regime in which there is a thing called old oil at a controlled price. There is also new oil, which is at world market price or even higher. What does a smart Minister of Energy who wants to acquiesce with the oil companies do? All he has to do is call old oil new oil. That is what part of this Bill or part of the taxing statute does. He simply changes the definition of old oil and then it is new oil and it gets world price; or he extends the period, as this section does, for when old oil becomes new oil or when new oil starts to become new oil. It is very simple. That is all he has to do. What we are seeing here is a retreat from the National Energy Program.

Mr. Malone: Hear, hear!

Mr. Waddell: The thrust of the National Energy Program was dead right. The thrust is that we have to Canadianize our industry. The Conservatives were wrong there. They just want us to be a colony of the United States. The energy industry is a vital industry. It should be Canadian-owned. It does not have to be totally public-owned. As I said a minute ago, we would have taken Imperial Oil under public ownership. That is true and I gave reasons for it. It is going to be a mixed industry. We have a mixed economy in Canada, but let us not have it controlled by Gulf, Texaco, Imperial, which is Exxon, and the rest of the Seven Sisters. They will not act in the interests of Canada. That has been well documented and well proven. There are instances where they have not acted in the interests of Canada. Energy is a vital commodity. We have to have some control over it. We have to have a National Energy Program. I agree with that, even as a westerner. I agree that the federal Government has a role to play.

Mr. Malone: You are not a westerner.

Mr. Waddell: I disagree with the way in which the federal Government is playing the role. I want to say something positive about this Bill.

Mr. Malone: Good idea.