

after this speech, but I think he is distinguished too. The pricing decisions they take will not be any different from those of the large American firms or large Canadian firms.

When Bob Blair of Nova Corporation and these other companies get control of the production of oil in Canada, as they will through the National Energy Program and through this bill. They have control of the pipelining. When they get control of the refining, then they will be in a position to influence the distribution and price. This is exactly what the Rockefellers and Mellons did in the United States. It is exactly the pattern, and we will have the same kind of pattern in Canada.

An hon. Member: You would rather have Marc Lalonde running it.

Mr. Waddell: I do not want to have Marc Lalonde running it. I would like to see an increased role for—

Mr. Deputy Speaker: Order, please. It is the practice of the House that members refer to other members of the House by their constituencies, or in the case of cabinet ministers by their functions.

Mr. Waddell: Someone asked me if I liked Lalonde running it. I was not referring to the minister; I was referring to the name. I would be pleased if I could continue with my speech.

Since the introduction of the National Energy Program in the budget of October, 1980, with its grants and incentives to Canadian-owned companies, there have been a number of corporate takeovers and reorganizations that have taken place in this country. For example, there is Petrofina, Hudson's Bay, Aquitaine, Great Basin, Shell and so on. There have been some changes. Of the \$6 billion in takeover costs, the Canadian ownership has increased by only 3.5 per cent. Canadian ownership of Canadian oil and gas production has increased, after all that action and everything that was promised, by only 3.5 per cent to 34.8 per cent. This means our oil and gas industry is still over 65 per cent foreign-owned. No other industrialized country in the world, Mr. Speaker, would permit that kind of situation.

My distinguished and hon. friend to my immediate right asks me what we would do. Let me tell him what the social democratic alternative would be. We would make Petro-Canada number one in the industry. We would operate it in a different way so that Petro-Canada is the leader in the industry. For example, we would try to protect small Canadian business by having Petro-Canada supply independents with gasoline. There would not be any price gouging. We would not appoint Liberal hacks to the board of directors or any hacks. On the board of directors we would have representatives of small business, representatives of the consumer and representatives of environmental interests and of native interests, so that Petro-Canada would be unlike the other oil companies. Also, there would be a substantial role for Petro-Canada in operating with northern native people in taking over and controlling some of the properties that may eventually be transferred in partnership with Petro-Canada and some of the

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native corporations I expect to be set up when land claims are settled. This is in fact a different way of approaching the issue.

Another principle in the National Energy Program is that there be an industrial strategy with real energy security tied into the whole program. Canadians want the benefits derived from energy development to stay in Canada.

The stakes in the energy play are simply enormous. I quote from an article in today's *Globe and Mail* by R. Donald Pollock. Mr. Pollock is chairman of the industrial policies committee of the Science Council of Canada. He says that in 1980—and he is talking about these stakes—

—the net income of the petroleum industry in Canada accounted for almost 30 per cent of the total net income of all non-financial industries—up from 17 per cent in 1972. The figure is expected to go above 40 per cent by 1990. Unless Canada can reduce the level of foreign ownership in this sector, foreign firms will have the cash-flow from Canada's petroleum resources to acquire even larger sections of the Canadian economy or to ship out profits on a massive scale.

There it is put rather succinctly. If we do not have that control in Canada, we will see ourselves open to a capital strike, which we have seen. When my friends on the right get up and talk about rigs going south, that is a capital strike. All the lobbyists and pressure on the government, the price pressure on oil, results basically from foreign companies taking capital out of Canada. What kind of energy security or energy strategy is that if we are always going to be prone to having that happen any time a government wants to have a program? I say that Canadian private industry is quite prone to invest their capital abroad too if they do not like the Canadian energy policy. The Blairs and the Blacks will take all the benefits for a little while, and then when they do not like the policy, when there is something that conflicts with their own private profit, they will take their money out too.

This is why we must have more public ownership. We do not have to have public ownership of everything; I am not advocating that. But we have to have a mix. We have to have public ownership as number one.

Mr. Andre: You sound like a bricklayer in East Berlin.

Mr. Waddell: My friend from Calgary Centre (Mr. Andre) should listen to my speech, as I listened to his speech.

An hon. Member: What a joke!

Mr. Waddell: Then he might learn something.

Mr. Kempling: You cannot take it.

Mr. Waddell: My friend from Hamilton as well. My friend from Hamilton is bigger than I am, so I do not want to insult him too much!

Let me tell my two hon. friends and my hon. friends opposite what other countries have done. There was always an outrage in the committee when I raised the point of why Canada cannot do the same. Oh, we cannot do that for all kinds of reasons. It would hurt the industry. The government could not do that. It would be like the post office. We are talking about the energy industry and suddenly we get the post office. Look what Great Britain has done. The British Nation-