

all the actions in the last year as a result of the National Energy Program. We have spent \$6.8 billion to get an extra 5 per cent, up from 30 per cent to 35 per cent. We could have taken that amount of money to purchase Imperial Oil. Overnight we would have 50 per cent Canadian ownership. This government does not have the guts to do that. Instead, it wants to wrap itself in the flag of Canadianization. It is a sham, generally and specifically.

I have raised the fact time and again that even with this bill one will be able to get around Canadian ownership standards, which are not even defined in the bill. They will be defined in another bill. I pointed to the example where a group in an oil play in the Arctic could be 70 per cent owned by Imperial Oil and 30 per cent owned by Petro-Canada. Surprise, surprise! That is 51 per cent Canadian ownership.

I have said this three times in this House. I will not go into the statistics again. However, it was never denied. In the specifics of this bill, Canadian ownership is a farce. It does not mean Canadian control at all. We suggested specific amendments, but the government refused to accept them.

Why do we see foreign control as bad for us? Contrary to the free enterprise argument that my friends on the right were advancing, saying that Canada benefits from foreign capital, the multinational companies are net capital exporters. They take more out of the country than they put in.

In the period 1975 to 1980, the petroleum industry was a net capital exporter to the tune of \$4.1 billion. Those figures come from the government's own petroleum monitoring agency report. The petroleum industry's assets have risen 359 per cent, from \$14.6 billion in 1973 to \$53.4 billion in 1980. That capital gain is controlled mainly by foreign shareholders at the expense of Canadian consumers and taxpayers.

The hon. member for Calgary Centre (Mr. Andre) gives us a bad time for not supporting the oil companies and the industry. The Canadian people think the industry is very fat and rich. We know that some of the small companies are hurting. We can help some of the small Canadian companies. By and large the Canadian public sees this as a big, fat, rich industry. It is going to continue to get rich under the new deal between Alberta and Ottawa, cooked up at the expense of the consumers.

In 1980 the oil industry's profits represented almost 30 per cent of all profits earned by the non-financial sector of the economy. It is a rich industry getting richer and it is expanding into other segments of the economy. Its power and economic wealth is controlled by foreigners, but it can pressure Canadian policy makers. The evidence is here. Look at Cold Lake and Syncrude—blackmail tactics and capital strikes. They will not go ahead unless they receive more money and benefits, more of the cream. That is why we say we cannot let this happen.

What do the Liberals propose to do? At the very least they propose what I would call half measures. Here is what Marc Lalonde said in New York.

### *Canada Oil and Gas Act*

**The Acting Speaker (Mr. Ethier):** Order. The hon. member must refer to ministers by the departments they represent and members by the constituencies they represent.

**Mr. Waddell:** I am sorry, Mr. Speaker. I am quoting from an article that names him. The Minister of Energy, Mines and Resources (Mr. Lalonde) said in New York on November 18, 1980:

Do you suppose that a party proposing to reduce foreign control to 50 per cent within ten years would be regarded as anything but cautious to a fault? I doubt that Americans would tolerate anything like 50 per cent foreign ownership in any major industry—let alone a vital, basic industry like oil and gas. And to tolerate it at a time when that industry is claiming an enormous and ever-rising share of the national wealth is simply unthinkable.

He is prepared to tolerate it to the extent of 50 per cent. That is a half measure. What the national energy policy does is replace the big foreign-owned companies, largely American, such as Exxon, the friend of the hon. member for Calgary Centre and the Conservative Party, with large Canadian companies such as Dome Petroleum and Nova Corporation. It is replacing the Rockefellers and the Mellons with the Conrad Blacks and the Bob Blairs. That is fine. They are Canadians. However, are they going to do anything different from the multinational oil companies?

What guarantees do we have that privately-owned Canadian oil companies, subsidized with our money to the tune of 93 cents for every dollar spent on exploration—and I will come back to that in a moment—will act any differently from foreign-owned companies? Does anyone believe that the \$12 billion price rip-off of the consumers as set out in the Bertrand report would be any different if we replaced Dome or Norcen for Imperial or Gulf? I am not so sure. I would like to think it would be but I am not so sure. I will tell you why I am not so sure, Mr. Speaker. The goal of these privately-owned oil companies will be, first of all, to push for higher prices and, second, to push for more exports. You can see that now. Listen to the call for gas exports from Alberta. Third, they want more tax concessions. Look at their criticism of the National Energy Program and of this bill which gives them all kinds of tax incentives.

● (1730)

It seems to me that if you want to have true Canadianization, Mr. Speaker, you have to make Petro-Canada a leader in the industry and you have to make it number one. That is true Canadianization. I think the Canadian people would support that idea.

Under the National Energy Program, the taxpayers of Canada will fund a Canadian-owned company to the maximum of 93 cents on every dollar spent on exploration in Canada. That is what my friends call free enterprise: a ninety-three-cent subsidization. What does the government get back? The government gets back 25 per cent Petro-Canada back-in. The government gets back a 10 per cent royalty, which is one of the lowest in all the industrialized countries. The government will get a percentage in income tax, if that is not deferred forever.