

Summer Recess

are concerned, rational and sincere, but most of all are angry about what is happening to Canada, particularly to western Canada.

Mr. McKnight: And they should be.

Mr. Mazankowski: I think the movement was summed up rather well in a recent article which appeared in the *Alberta Report* on July 26. It was contained in a letter from the publisher entitled, "What the WCC does, matters; why it exists matters more." He pointed out:

The gathering of some six hundred people for the convention of the Western Canada Concept in Red Deer last week was as extraordinary as it was traditional. It was extraordinary for what it implied. Who could have imagined, say, 24 months ago that such a diverse throng could be assembled in the province of Alberta to declare that, under given conditions, they are ready to break up the country. It was extraordinary also in another way. The rank and file were far more impressive than the leadership. Here was no strident rabble or convocation of kooks. You met doctors, grain growers, lawyers, accountants, cattlemen, housewives, scientists, small businessmen, teachers, executives. It was this populism, of course, that echoed a great tradition. Here, no doubt, were the United Farmers of the twenties, or the first Social Crediters, or the founders of the western CCF, the grass roots of the west, issuing forth to damned well do something, nobody was one hundred per cent sure what.

What they in fact do may or may not matter, depending on whether they succeed. What does matter, and matters terribly, is why they were there at all. This is of great current concern to the provincial government and, as far as anyone can tell, of no concern whatever to the government at Ottawa.

It is timely to put this on the record as we near the end of this session and to signal to the government and to all Members of Parliament that this movement should clearly indicate to us that there is an unhealthy condition out there. The federal government should heed the warning, if it is really genuinely serious about national unity in the country.

Mr. McKnight: The three government members who are in the House now.

Mr. Mazankowski: I want to say something else which I do not want to have misinterpreted. I say it with genuine sincerity. There is absolutely no question about my commitment and loyalty to this great country of Canada, but I have to say that it is becoming increasingly difficult to defend the federal cause when we have a government which has so viciously attacked and destroyed my part of Canada. In so doing it has weakened the very fabric of the nation. What is most disturbing is that the government is continuing along that same path and in that direction. They do not listen, they do not care.

This plays squarely into the hands of the separatist movement in western Canada. As a matter of fact, the actions of the government are really aiding and abetting the separatist movement. We have seen what has happened in Newfoundland and the recent decisions which have been taken with respect to Nova Scotia, such as the transferral of the naval reserve and the resource debate in Newfoundland. It is quite conceivable that easterners may soon feel the same sense of frustration and alienation.

Let us look at some examples of vicious policies which serve to destroy rather than to build. Let me look at them in the context of the fodder that they provide to the western separatist movement. The President of the Privy Council talked at great length and spoke very glowingly about the achievements in the passage of the National Energy Program. Let us review

its objectives. It was to provide security. Well, we are less secure today than we were when the policy was announced. We are more reliant upon foreign oil. It was to provide opportunity. If hon. members go out west they will see what kind of opportunity was provided by the National Energy Program. It was to provide fairness. My gosh, we are paying retail prices at the pumps based upon world prices—and it is more than in the United States—while the wellhead price of oil from Alberta and Saskatchewan is roughly 55 to 60 per cent of the world price. Independent Canadian petroleum companies have been decimated by the National Energy Program. Instead of giving Canadian companies an advantage over their foreign competitors, they have been crippled by unreasonable rates of taxation to provide revenue for a government whose spending has gone out of control, not to mention high interest rates. Foreign companies have foreign incomes on which to survive. Canadian companies have folded and collapsed under the strains of high taxation and the high interest policies of the government. Where are these businesses located? The bulk of them are located in western Canada. The obsession with the accelerated Canadianization program and the thrust of nationalization has seen Petro-Canada grow from a mere window on the industry to a \$6.6 billion company which is financed by a 4 cent per gallon surcharge at the expense of all Canadians. Gas is not any cheaper. The fact of the matter is that this country was Canadianizing the oil industry at a rate which our financial abilities could afford.

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What happened during the National Energy Program? In the oil resource sector alone, some \$9 billion of oil investment capital fled the country. Through this entire process not an additional barrel of oil has been produced. We are more reliant on foreign oil today than we were before. One billion dollars worth of equipment has left this country for the United States. Alsands, Cold Lake and Judy Creek projects have been cancelled. Twenty thousand identifiable jobs in the drilling and service sector of the oil industry have been lost. The government says this is due to world conditions. That is partly true, but what we need to do is examine the comparison between what happened in the United States and Canada over the year 1981. It is important to differentiate the policies of these two countries.

As we know, the National Energy Program imposed nationalization, higher production taxes and discriminatory taxes against foreign investors, and price controls. The Reagan administration took the other course by decontrolling prices, and adopting noninterventionist policies. These changes launched the two countries on two different courses. Investment was encouraged in the United States. Investment into Canada was discouraged.

What has happened? I refer to the *Alberta Report* of August 2, 1982. That report states that in 1981 the U.S. drilled 80,537 wells, up by almost 16,000. That is a 20 per cent increase. Canada's total in 1981 was 7,186 wells, down from a