

HOUSE OF COMMONS

Thursday, November 29, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[English]

BORROWING AUTHORITY ACT, 1984-85 (No. 2)

MEASURE TO ENACT

The House resumed from Wednesday, November 28, consideration of the motion of Mrs. McDougall that Bill C-11, an Act to provide borrowing authority, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs; and the amendment thereto of Mr. Riis (p. 694).

Mrs. Barbara Sparrow (Calgary South): Mr. Speaker, I am pleased to participate in this debate in support of Bill C-11. I would first like to commend the Minister for introducing this Bill which will enable us to borrow the most necessary funds to keep the country going. The Government must borrow to meet its financial requirements. We have produced the facts that are necessary for speedy consideration of this Bill.

In his economic statement the Minister of Finance (Mr. Wilson) advised Canadians that adjustments, cuts and new initiatives were needed to support and encourage economic recovery, to create jobs, and to give Canadians the confidence and stability to invest in this great country in order that it will move forward. The Government promised to take control and it is doing just that. The economic situation which we inherited after years of Liberal mismanagement calls for some tough specific actions, but they will be sound. Running the country is exactly like running any business. We all know that when expenses are greater than revenues a deficit is created. The Government was elected to deal with the challenges facing the country and the deficit is one of our greatest challenges.

Canadians have given the Government a strong mandate to embark on the long, complex and painful task of building a lasting economic consensus for our nation. I believe Canadians know that the Government is approaching, and will continue to approach, Canada's problems. Paying the bills is one of our problems. The Government is moving with compassion, commitment and fairness.

To put our own fiscal house in order and to reverse the massive buildup of public debt, we must and will meet our commitments. Many of these commitments were made by the previous government. We are going to honour our commit-

ments. We are honest, sincere and open. The people of Canada want, and shall receive, fair treatment, Mr. Speaker. They voted for a Government that will get the country back on its feet. Through extensive consultation and communication with the provinces, business people, labour and all Canadians, the Government will make fair decisions for all regions of Canada. We will no longer see confrontation and unilateral decisions, for the Government has a responsibility. It is facing reality. We can no longer meet every need. We simply cannot do it all.

My home is Calgary, Mr. Speaker. Calgary was absolutely brought to its knees by the financial mismanagement of this country and the destruction of the oil and gas industry in 1980. The Liberal National Energy Program was a disaster. The previous Government singled out a number one industry and then raped it. Half of the drilling rigs in western Canada have been idled or they have left the country. People left for a more secure and favourable climate. Those who were left behind went belly-up. The only way to make a buck in the drilling industry is to keep that iron turning.

I invite Hon. Members here today to come out west to the producing provinces. Come out and see the rigs. Come on the floor. See the pipe which is made from the steel from Ontario and the wire cable that is made in Mississauga and the Arctic clothing that comes from Quebec. The survival suits in the Beaufort are made in Vancouver.

• (1110)

As one can see, when the resource industry was so hard halted thousands of jobs were lost all across Canada. The previous Government's energy policy is directly responsible for hundreds of thousands of lost jobs, billions of investment dollars leaving this country and four wasted years in achieving self-sufficiency for Canada.

A PGRT was applied to gross revenues. That is a petroleum and gas revenue tax, where there were no deductions for spending on new exploration and development and no deductions for royalties paid to the provinces. The previous government then revised the corporate income tax. The old earned depletion deduction was eliminated. It then imposed a natural gas and gas liquids tax. It went on and on. In its greed, the Liberal Government heavily taxed this industry. It based its theory on high world oil prices and increased consumption. However, someone forgot to tell that government that one does not budget on anticipation but on hard facts and figures.

We in the oil and gas business need a tremendous lead time to produce. We need 8 to 12 years for geological surveys, for land acquisition and exploration. We need this in order to get development and production. This industry has to find its raw materials first before it can manufacture the product. These