

In conclusion, I would like to say something about the Alberta Heritage Trust Fund. There are those who ask why Alberta is not addressing this situation. There are two major reasons for that. One is that the Alberta economy is so devastated the Alberta treasury does not have the capability to respond in full. The budget deficit projected by the Alberta Government for the current fiscal year is \$2.5 billion and it could go considerably higher.

Beyond that there is the issue of the Alberta Heritage Trust Fund. That fund has a liquidity of only about 18 to 20 per cent of its total value. It is true that it has deemed book assets of \$13.5 billion to \$14 billion, but that money is invested in hospitals, medical research and outside of the Province of Alberta in what I would submit is the Quebec heritage saving trust fund, Quebec Hydro, and the Ontario heritage trust fund, Ontario Hydro, and in similar low-cost loans to provincial Crown corporations and provincial Governments across the country. I think that is an excellent example of Canadian co-operation from coast to coast.

The death of the PGRT signals the happy salutary abandonment for once, and I hope for all, of an intrusion by the federal Government into matters which are totally of provincial jurisdiction. The ownership of a resource in the country, as defined in our Confederation pact, is with the province. For another jurisdiction to tax a provincial resource is heinous, wrong and a betrayal of Confederation. That betrayal is being rectified today.

**Mr. Orlikow:** Madam Speaker, I would like to direct three questions to the Hon. Member for Edmonton South (Mr. Edwards). Around 1980 the industry was buoyant and the price of oil was around \$30 a barrel. The Member said that \$95 billion in revenues was given up. Is the Member suggesting that if the oil companies had been able to keep a large part of that money they would now be involved in major exploration with the world price of oil as low as it is? If he really believes that, would he explain why in the United States, which has never had a National Energy Policy and which, since 1980, has had the most conservative president it has had in the last 50 years, the oil companies which also operate in Canada have cut back on exploration as sharply as they have in Canada?

Finally, does the Member really oppose Government involvement in the energy industry? If he does, we can say goodbye to exploration off the Atlantic Coast and in the Beaufort Sea. The Conservative Governments of Newfoundland and Nova Scotia would be very interested to know whether it is the view of the federal Conservative Government that, when the price of oil is so low that the private sector has opted out, the Government of Canada should not, through tax policies or subsidies, help maintain the exploration and development of the energy we will need in the future?

### *Petroleum and Gas Revenue Tax Act*

**Mr. Edwards:** Madam Speaker, as always, I appreciate the very pointed questions of the Hon. Member for Winnipeg North (Mr. Orlikow). In response to his first question with regard to oil company profits, the issue here is not profits. However, I will say something about the reinvestment record of the oil industry in western Canada. I speak of the western sedimentary basin rather than nonconventional sources such as the oil sands, heavy oil, or the offshore. The record of the industry in that area is remarkably positive. It has varied over the last six years from 85 per cent of profits to as high as 110 per cent in certain years. It is not a question of putting money into the hands of the oil companies. It is, rather, an issue of \$90 billion made up of \$60 billion in subsidizing low-cost Canadian gasoline and another \$30 billion differential between what Ottawa collected during the dying days of the Liberal regime and what it reinvested in Alberta. We are now talking about an issue of justice within Confederation.

[Translation]

Justice with respect to oil products, jurisdiction, the economy and employment—

[English]

We are indeed talking about Government involvement in the energy industry. I am happy to be able to say that Government involvement in the conventional energy industry in this country is not justifiable from the point of view of imposing federal taxes on a provincial resource. That is what is at issue here today.

• (1740)

If we examine the offshore, the oil sands and heavy oil, and if energy self-sufficiency and security of supply are the goals, of course there will have to be investment. However, let that be private investment and let us not add inordinately to our deficit by more state intervention and control.

**Mr. Orlikow:** Madam Speaker, I urge the Hon. Member to explain why the major oil companies have cut back such that there is virtually no exploration going on in the U.S. They have cut back exploration everywhere. Yet they were not harmed, hobbled or hindered, as the Hon. Member for Lethbridge—Foothills who thinks everyone to the left of Genghis Khan is a socialist, said, by a Liberal Government in the U.S. Therefore, why have they cut back so drastically?

**Mr. Edwards:** Madam Speaker, it is some hobbling when 472 rigs go south from Alberta to Montana, Wyoming and Colorado. It is some hobbling when they go down to Oklahoma and Texas. If that is hobbling in an unfettered environment, why in heaven's name did those rigs make the journey south at a cost of about \$75,000 each?