

GOVERNMENT ORDERS

[English]

PETROLEUM ADMINISTRATION ACT

MEASURE RESPECTING THE ADMINISTRATION OF
INTERPROVINCIAL, EXPORT AND IMPORT TRADE IN
PETROLEUM AND PETROLEUM PRODUCTS

The House resumed, from Friday, April 25, consideration in committee of Bill C-32, to impose a charge on the export of crude oil and certain petroleum products, to provide compensation for certain petroleum costs and to regulate the price of Canadian crude oil and natural gas in inter-provincial and export trade—Mr. Macdonald (Rosedale)—Mr. Penner in the chair.

The Deputy Chairman: When the committee rose on April 25, clauses 5, 35, 36, 52 as amended and 53 as amended were allowed to stand. The committee is now considering clause 60.

On clause 60—*Continuing offence.*

Mr. Baldwin: Mr. Chairman, I rise on a point of order with regard to the matters we are considering. There have been some discussions across the floor in committee and outside the committee with regard to clauses 35 and 52, and there has been some indication of willingness on our part as well as on the part of the minister to accept a form of amendment which would be agreeable to both sides. The minister might want to comment on that. If it is likely that some arrangement can be worked out, it would permit us to look at the rest of the bill in a more relaxed way, in a less jaundiced way. Also, it might well facilitate the passage of some of the clauses because if, in our view, it is likely that these amendments will be discussed in the committee, it would make us feel somewhat more comfortable about the rest of the bill.

Mr. Macdonald (Rosedale): Mr. Chairman, I would like to confirm that indeed there have been discussions about possible amendments to the two clauses with regard to the proclamation. I think it is fair to say that there is some agreement in principle involved here. What we have been doing is taking a look at the specific wording. The legal advisers of the Crown have looked at the wording, a text of which will be available a little later in the afternoon. I wonder if we might proceed with clause 60 and the following clauses, then return to the clauses that have been stood after the new wording has been circulated and agreement to it confirmed.

The Deputy Chairman: Is clause 60 agreed to?

Clause agreed to.

Clause 61 agreed to.

On clause 62—*Regulations.*

Mr. Macdonald (Rosedale): Mr. Chairman, I would like to suggest to the committee an amendment to clause 62, a copy of which was circulated previously. Clause 64 provides a regime with regard to the determination which, I am advised by my advisers, would be better adapted to meet the situation. Clause 62 would provide an alternate paragraph (d) which would be consistent with the clause

Oil and Petroleum

as amended. My colleague, the President of the Privy Council, is moving the following amendment:

That Bill C-32 be amended by striking out lines 29 to 36, inclusive, on page 24 thereof and by substituting therefor the following:

"(d) respecting the approval by the board of prices paid to acquire gas from within its province of production for movement out of that province; and"

The President of the Privy Council has come back specifically because of his firm conviction about this amendment.

Mr. Sharp: I so move, Mr. Chairman.

• (1510)

Amendment (Mr. Sharp) agreed to.

Clause as amended agreed to.

On clause 63—*Conflict.*

Mr. Baldwin: Mr. Chairman, I would like to ask the minister a question about this clause, for my own satisfaction. The clause reads as follows:

In the event of a conflict between any price prescribed under this part and any price established under part IV of the National Energy Board Act, the prescribed price under this act prevails.

I assume that involves an admission that under the National Energy Board Act there is provision for fixing prices of petroleum or natural gas.

Mr. Macdonald (Rosedale): Yes, sir.

Mr. Baldwin: It might be useful in some court action later.

Clause agreed to.

On clause 64—*Distributing excess.*

Mr. Macdonald (Rosedale): Mr. Chairman, there is a rather lengthy amendment to this clause. It is put forward after some consultation, particularly with transmission companies. We think this amendment will provide a simpler regime for dealing with the question involved under this section.

Mr. Sharp moved:

That Bill C-32 be amended by striking out clause 64 on page 25 thereof and substituting therefor the following:

"64. (1) Where in any month gas that is purchased or otherwise acquired in or from its province of production is transported and resold by the purchaser thereof in any area or zone in Canada outside its province of production, or at any point on the international boundary of Canada, the purchaser shall, in respect of each such month, distribute to producers, in accordance with such regulations as the Governor in Council may make in that behalf, an amount equal to the excess of

(a) the total revenues received by the purchaser for the gas so resold in that month;

over

(b) the purchaser's cost of service, as determined by the Board, in respect of the gas so resold in that month, including the purchaser's cost of gas.

(2) Where in any month gas that is purchased or otherwise acquired in or from its province of production is transported from that province for delivery in any area or zone in Canada outside its province of production or at any point on the international boundary of Canada by a person other than its purchaser, the purchaser shall, in respect of each such month, distribute to producers, in accordance