

this section each minister has the right to determine the manner and amount of payment by each holder of Canada lands into the fund.

In addition, he has the right to determine which environmental studies he deems are necessary and the amount to be spent on each. As the funds are depleted below one-half, the minister assesses Canada lands holders for such amounts as he sees fit to raise the total to the original 15 million dollar limit. With such easy access to funds there will be nothing to inhibit indiscriminate use of these moneys to perform studies that could be highly questionable or which would otherwise be done routinely or of necessity by the government. Surely there should be some legislative restraint on the use of these funds for only legitimate studies required for the conduct of exploration or development of Canada lands. Surely also the holder contributing the funds should have some say in their expenditure.

Section 48(1) allows the minister to order an interest holder whom "in the minister's opinion" has the capability to commence production to "... commence producing oil or gas for use in a Canadian domestic market and deliver the oil or gas so produced at the times and places and in the quantities specified in the order, for sale to persons specified in the order, at prices specified in the order, ..." Once again there is no requirement that such production, delivery or sale would be economic or even technically feasible. Even though an appeal from this decision is allowed, one should not be put in a position of having to resort to the courts on these matters which are in effect the sum of the company's producing operations.

No wonder we are seeing oil companies' rigs leaving this country. In the latest edition of the "Energy" magazine we find an article under the heading "The sad, southward journey of Rig No. 8". This rig No. 8 belongs to the Blocker Drilling Company Canada Ltd. This rig consists of 1,150 tons of components and it will be placed aboard a fleet of 49 trucks for shipment south to Williston, North Dakota. Three cheers for Williston; I am sure it is going to be very pleased with the National Energy Program introduced in this country. North Dakota is not one of the wealthiest states, but we are certainly helping it out to a great degree by driving rig No. 8 down to Williston, North Dakota. The article points out that this is being done strictly because of the National Energy Program. It also states:

—only one of Blocker's 10 rigs will stay in Canada this year. Twelve members of rig No. 8's crew will move to Williston—

Mr. Blocker says he figures he is going to stay down in the United States also. This is why we are objecting to the giving of any more discretionary powers to this minister. He has been an absolute disaster to date with his energy program, and to give him more discretionary powers would be a great danger to Canada, especially in terms of Canada becoming self-sufficient.

The Chevron brief goes on to point out:

Without rules governing the exercise of such wide discretion there are no guidelines nor precedents to rely on and an uncertainty as to the possible exercise of discretion will exist. Day-to-day ad hoc decisions limit the ability of the company to plan its operations.

That is why rigs are leaving. There are further statistics about rigs leaving because of this minister's decision on energy, the National Energy Program and all the rest. In Alberta alone close to 150 drilling rigs have left the province and 30 per cent of the energy service sector is closing up shop with thousands of workers losing their jobs, just to name a few. That is why we are objecting to this minister having additional powers. The Chevron brief goes on to point out:

Canada Oil and Gas Act

With two ministers given the power to make decisions on identical matters even greater uncertainty is surely to be the result.

We feel that the granting of such broad powers to a minister is unwise—

That is an understatement, Mr. Speaker. The brief continues as follows:

—but are even more concerned with the minister's power to delegate these powers under Section 5(5) to anyone he sees fit regardless of qualification. If the minister were to be required to make all of the decisions which will be required of him under this bill, there might be less desire to have all of this discretion.

The wide unrestricted discretionary power to be vested in the minister, without statutory right to appeal in at least some instances, opens the door to ministerial arbitrariness and consequent abuse.

• (1630)

Although we do not suggest that the minister or his delegate would act in bad faith, that possibility exists. The discretion might be exercised to give political or familial advantage. It might be exercised frivolously, unfairly, in bad faith, out of spite, or as disciplinary action.

When a minister of the Crown can do that, it puts the industry in a bad position. The submission goes on:

All these bad faith uses are to be feared and we expect that Parliament will be vigilant to limit such possible abuses—

We are doing our job on this side of the House by opposing these abuses.

—especially in this case since Parliament, the general public and the person affected will not know about the abuse because the minister exercises his discretion in private. We suggest that Parliament set out in the bill guidelines on the exercise of the discretion and require the minister to report to Parliament regularly on this matter.

We fully support that. It is almost a dictatorship for a minister to have these kinds of powers.

I want to point out that the minister professes to have Canada's interests in mind. He should put them down on paper. This is exactly what Motion No. 9 would do. It would ensure that Canadians would profit from the spin-off benefits from the energy sector. This is exactly the same schedule used by the government in the Northern Pipeline Act. It is hard to believe the government would be so hypocritical as to say it would protect Canadian interests in one case but not in the other. Maybe this is not so hard to believe when you consider its enormous flip-flops on energy pricing, interest rates and the rest.

I would like to offer a few more examples of our concern about these discretionary powers. It has been estimated that the whole National Energy Program will result in a loss of over \$3.5 billion in investment by the industry in 1981. We cannot be working toward energy self-sufficiency with that loss of investment. Each dollar spent in Canada by the industry creates another \$1.70 in further economic activity. This means the National Energy Program will reduce Canadian economic output by \$9.5 billion. This equals 3 per cent of the gross national product at a time in which it is doubtful that the gross national product will grow by more than 1.5 per cent this year.

Recent studies show that each job created in the industry results in almost three more jobs being created in the economy. It is difficult to measure the jobs lost or not created because of the National Energy Program. It is clear a long-term downturn