

Finance (Mr. MacEachen). That fact, the introduction of a National Energy Program as part of the government's financial and fiscal policy, is vital to an understanding of the purpose and effect of Bill C-48. One might ask why it is so. The reason is that the proposed Canada oil and gas act is not in a real sense an energy bill, it is a financial bill. Its true purpose is to gain federal control over some of the most important resources in this nation, the petroleum resources in northern Canada and in the coastal submarine lands. Indeed, that is the real purpose of the National Energy Program. It will result in federal control of energy resources.

Let me explain this point. For most of this century the emerging wealth of Canada has been based on the construction and manufacturing sectors of the economy; the builders of ships and vessels, the manufacturers of automobiles and equipment, and on the process of natural resources like timber, metals and petroleum. Until recently the resources themselves were relatively cheap, particularly petroleum. Today depleting resources such as petroleum and base metals are more valuable. As a result of the combine formed by the oil producing nations that form OPEC, in one decade they raised the price of a barrel of oil from the \$4 level to the high of \$44 in Canadian funds. It is very easy to recognize that the federal government was anxious to switch its concern from the manufacturing sector and the excise tax revenue it brings to the natural resources sector and obtain direct ownership of the wealth produced by energy resources.

Let me provide an example. Cape Breton in Nova Scotia has vast supplies of coal adjoining its coast. For years; indeed, exactly one century following confederation, the federal government gave no attention or concern to these coal resources. The province of Nova Scotia administered the mining leases and licences that affected the coalmining industry and that resource. In 1967 the principal operator of the Cape Breton coal mine simply abandoned the operation, placing thousands out of work and causing economic havoc. Here is the point. The Government of Canada had to be dragged, kicking and screaming, to assist the province of Nova Scotia to salvage the operation of the Cape Breton coal mines. By agreement with the province of Nova Scotia, the federal government established the Cape Breton Development Corporation to take over the operations of the coal mines. I make no complaint about that action. It was justifiable on both economic and humanitarian grounds. Here is the unusual aspect of that arrangement.

The federal government asked the province of Nova Scotia to transfer and convey to this Crown corporation, Devco, the Cape Breton coalfields lying under coastal waters off the coast of Nova Scotia; that is the submarine lands. The obvious inference is that in respect of the submarine coal resources, the Government of Canada believed that ownership rested with the province of Nova Scotia.

Let us look at Bill C-48. First, it applies to the Canada lands and it contains a definition of those lands. It says that Canada lands include those submarine areas adjacent to the coast of Canada.

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My point is, when the federal government was dealing with the coal resources that lie in the submarine lands off the coast of Nova Scotia, it made no claim to ownership. But when it was discovered that those same lands off the coast of Nova Scotia and, indeed, off the coast of Newfoundland and other coastal provinces, might contain petroleum resources, then the federal government took a real interest. As I said, its concern and objective is to gain control of these energy resources.

That is my point. For a century the federal government had no wish to involve itself in Nova Scotia submarine lands, either in relation to coal or petroleum. But, in the 1970s the global picture changed and the federal government has changed its attitude. Its motive and intent is to capture the resource industry, and the government has a number of techniques to accomplish this end. One of the techniques it will use to reach this goal is, in the case of the submarine lands, its claim of ownership. The same applies to northern lands. Again, the federal government is claiming ownership without regard to the Northwest Territories' and Yukon's authority. In the case of Alberta, British Columbia and Saskatchewan, the federal government is using its taxation and trading powers to gain control.

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I have underlined the need to examine Bill C-48 in the context of the National Energy Program. I believe I have also demonstrated that the principal motive and intention in establishing the National Energy Program is to gain control of the revenue from energy resources, especially oil and gas. There is no doubt that the government, which controls the wealth of the nation, exercises the real power in this country. The federal government is unwilling to share that power, and this is the real problem in Canada today—the failure of the government of Canada to deal fairly and properly with the provincial governments.

**Mr. Nielsen:** They share it with the NDP.

**Mr. Crosby:** My colleague for Yukon (Mr. Nielsen) says it wants to share it with the NDP. I say to the hon. member for Yukon that there is no doubt that many of them support the federal government in this action. They want the federal government to control the wealth of this nation. My friends in the NDP would certainly stand up to be counted on that issue. They want to help the federal government gain control over natural resources and to gain power in many other areas.

**An hon. Member:** Who do you want to control it, someone outside the country?

**Mr. Crosby:** I want the control in this country to vest in a proper balance between the federal government and provincial governments. That is the basis of our confederation. That is what happened in 1867. The provincial governments got together to form one Canada. Under that arrangement, they gave powers to the Government of Canada. Those powers are very clearly outlined in the British North America Act, as are the powers and authorities of the provincial governments.