

*Co-operative Energy Act*

the country, especially to everyone associated with the oil and gas industries, as that program which put the boots to the industry. So I would not think he would be doing it a great favour by associating this company with that program.

The minister indicated there would also be established under this cooperative effort between the federal government and the co-operatives a cooperative energy investment fund, a drilling fund, in essence, for investment in projects of the Co-operative Energy Development Corporation and of other oil companies.

May I take this opportunity also to indicate that the problem with drilling funds is in the November 12 budget. We cannot put the boots to the investors, so if we want to get drilling funds going, not just in terms of cooperative energy but drilling funds that were such an important part of our Canadianization of the oil industry from 1976 on, up to the time of the National Energy Program, he should sit down with his colleague, the Minister of Finance (Mr. MacEachen). He should see if he cannot remove some of the more severe disincentives that were part of the November 12 budget. The general taxation levels have also served to discourage drilling funds.

In particular, I wonder if the minister might re-examine what he considers the grandson of the National Energy Program, which undoubtedly will be produced one day soon. He might examine extending to individuals the provisions of the petroleum and gas royalty tax rebate that was part of the son of NEP, whereby corporations did not pay the first \$250,000 of PGRT. Some sort of extension to individuals would be called for, to re-encourage investment by Canadians into drilling funds. As things stand now, in order to participate and get the benefit of that, individuals will have to incorporate. Incorporation will mean great work for lawyers and accountants but it will not find any more oil or gas. If finding oil and gas and encouraging Canadian investors is what we are all about, then that is a change he should look at.

The minister informed the House that it is the intention of the federal government to participate in Co-Enerco to the extent of perhaps \$100 million. He said that was generous. I ask, "Compared to what?" Compared to the \$1.5 billion spent on Petrofina, that sum is very modest. One hundred million dollars is certainly a reasonable contribution, but compare it to the billions that have been blown particularly on PetroCan's purchase of Petrofina. This \$100 million investment that the federal government is making here is very likely to return much more by way of value to the federal government than an equivalent \$100 million given to Petro-Canada for such useless purchases as Petrofina.

● (1410)

I want to put on the record some of the experiences we have had with this legislation as it is before us today. It is a bad-news-good-news story. The bad news part of it is that earlier on I was presented with draft proposed legislation by the minister's parliamentary secretary. We were asked for our reactions as a political party. My colleagues and I agreed that the principle was fine. We could accept the principle and felt

we could go along with it, but the legislation was atrocious. Indeed, it was extremely poorly drafted. It had in it many things to which we had been objecting strenuously—not just members on this side but members on all sides of the House—in the Standing Committee on Regulations and Other Statutory Instruments. It seems there is continual pressure to put into legislation delegation of law-making authority to the governor in council, but the original draft of this bill contained the delegation of law-making authority to civil servants in the Department of Consumer and Corporate Affairs. There was delegation of law-making authority, not just administrative authority. It was a terribly poorly drafted bill. That is the bad news.

The good news is that the government brought the bill to us before it was presented to the House, and we were able to overcome those problems. To me that was an example of how this place can work and should work. There were a few meetings between officials, myself and others, and I discussed the matter with members of our party. It probably took more time than it should but, nonetheless, in the course of time we were able to come up with improvements and produce legislation which addresses some of the very serious concerns we have.

I suggest to the minister and other government members that in the future they ought to examine that method of proceeding more often. They might find that this place will function much more efficiently and effectively. Their legislative programs might get through more quickly and be more effective if there were that kind of consultation. Changing legislation which has on it the stamp of approval of the governor in council is a kind of backtracking on the part of the minister or the cabinet. Backtracking is a very difficult thing for politicians to do. It should not be as difficult as it is but, nonetheless, it is difficult. There should be that kind of prior consultation and working together. Members of the House should be able to act as legislators in a real sense. They should be able to participate. I think the experience we have had commends itself, and I recommend to the minister and his colleagues that in the future they consider doing more of what has been done in this case. They might find that the harmony in this place would increase considerably, and productivity would increase considerably as well.

That having been said, I repeat that the proposed Co-operative Energy Corporation and the Co-operative Energy Development Corporation will certainly be approved by us. We trust and hope that the government will receive a good return on its investment of \$100 million. We are convinced that the country will receive a good return from more activity in the oil and gas industry, and for that reason we gladly participate in this debate and co-operate in getting all three stages of this bill completed this afternoon.

**Mr. Stan J. Hovdebo (Prince Albert):** Mr. Speaker, this week members of the Canadian co-operatives movement met in Ottawa to discuss the future of their movement locally, provincially, nationally and internationally. One of the matters