

*Canada Oil and Gas Act*

● (2020)

Those are circumstances which we on this side of the House do not wish to see continue. This is why we have put in place incentives for Canadians to play a greater role in their own petroleum industry. Not only does the legislation look toward the greater participation of investors, but also it promises thousands of new jobs, in the energy sector and in the supply of goods and services.

In that connection, I remind the House that when this bill first came before committee we recognized that, as originally drafted, the relevant provisions did not adequately reflect our intent that Canadian suppliers of goods and services should have a fair and competitive opportunity to share in procurement with respect to oil and gas exploration and development activity on the Canada lands, without at the same time discriminating against non-Canadian suppliers. Accordingly, during the course of the committee work, we modified the industrial benefit provisions in the bill so as to stipulate clearly that Canadian manufacturers, consultants, contractors and service companies have a full and fair opportunity to participate competitively in the supply of goods and services.

Not only did we do that in committee, we went further. With regard to the employment of Canadians, companies active in the petroleum industry will be required to submit a detailed manpower plan and to maintain close contact with the Canada Employment and Immigration Commission in the development and implementation of their plans. We shall expect such plans to include advance specifications of labour requirements and sourcing, recruiting procedures, training programs, company mobility plans and local hiring programs. The companies will need to indicate in detail the steps being taken to maximize the opportunities for Canadians to participate in the planning, construction and operation of the projects. In short, this legislation, while respecting all our international obligations, will give Canadians, whether in large businesses or small, new opportunities to participate on a competitive basis in the supply of goods and services.

Some reference has been made earlier today by an hon. member of the New Democratic Party to the laudable initiatives of the Minister of State for Small Businesses and Tourism (Mr. Lapointe) to promote a more viable and active small business sector in our economy. Small business initiative can, for example, spread more into the petroleum industry through the creation and promotion of consortia. The Government of Canada will not be laggard in providing such incentives to small business.

At the other end of the scale, megaprojects will also receive the active promotion of the Canadian government. Reference was made to the major projects task force report tabled earlier this year. That report was a notable achievement in business and labour co-operation which looked toward more active involvement for Canadians in the great new projects, many in the hydrocarbons industry, which will benefit all Canada.

To that end, a major projects office was established in the Department of Industry, Trade and Commerce which will ensure every opportunity for Canadian companies to partici-

pate on a fair and competitive basis in the development of our own energy resources.

Some reference has been made to the need in Canada for an advisory committee, involving business and labour as well as government, to ensure the maximum participation of Canadian suppliers of all types in our petroleum development. One motion which is now before us looks toward such a commission, and indeed sets forth the terms of reference for it. Such a possibility is covered by a motion which we have already adopted. It provides the minister with the opportunity to establish an advisory committee wherever the need is identified. The motion is neither necessary nor desirable when we have already acted in that area.

Much has been made of ministerial discretion under this bill. It has been claimed by some hon. members opposite that the minister's discretionary powers are somewhat too great. However, in such a vast and underpopulated country as Canada, especially in the great territories of the Canada lands, considerable discretionary power must be invested in the minister. Circumstances differ widely from project area to project area. It is simply impossible to reduce the varying circumstances, whether they be offshore, in the Arctic or on the lands of the north, to some sort of simple formula which would define the circumstances in every case.

In fact, what we need in this country, in the vast areas of our north and offshore, is some degree of discretionary power. Yet the discretionary powers envisaged for the minister are little compared to those vested in the minister of energy of the province of Alberta, an area which is much more populated and developed than the Canada lands. Let me cite one or two instances of ministerial discretion in the province of Alberta under the Alberta mines and minerals act. The minister may:

—restrict the disposition of or withdraw from disposition any mineral (defined to include petroleum) in any specified area in any manner he may consider warranted.

That is ministerial discretion. If that were not enough, the minister of energy of the province of Alberta may also:

—acquire by expropriation any estate or interest in mines or minerals (defined to include petroleum) where the minister is of the opinion that any or any further exploration for or development of those mines and minerals is not in the public interest—

If that discretion were not enough, another section of the same act goes on to indicate that the minister of energy for the province of Alberta may:

—demand that "a lease shall be in such form as may be determined by the minister and may include... any other terms and conditions the minister prescribes".

I should like to quote one more example of ministerial discretion in Alberta in order to make the point. Under the Alberta petroleum and natural gas reservation regulations, there is the following stipulation:

The minister from time to time may make such orders as he may deem necessary for the effective administration of these regulations, and where any questions arise pertaining to the interpretation or application of these regulations, the minister shall be the sole judge and there shall be no appeal from his decision.