

Canada Oil and Gas Act

applicant already has an interest or will earn an interest as a result of the expenditures. These and other definitions will be elaborated to provide the industry with the opportunity to discuss the detailed provisions which will flow from Bill C-48 and which are intended to encourage Canadians to negotiate better deals in order to be eligible for maximum incentives.

The program as a whole will be administered by the proposed Petroleum Incentives Board which, I am pleased to say, will have offices both in Calgary and in Ottawa to assist applicants.

I have noted already that the intention of the earlier legislation, Bill C-20, was to help to ensure that companies did not simply sit on resources indefinitely. Under the legislation before us now, those companies will be required to meet more vigorous work or development conditions. The active leadership provided by this legislation will ensure that the projects in our Territories, in the Arctic and offshore will proceed much more quickly than would have been the case under the previous legislation. So, too, will the projects proceed in a more orderly manner as a result of the terms of Bill C-48. The government will be able to direct the rate of exploration, the timing and development and the level of production of oil and gas on Canada lands for the benefit of all Canadians. The minister will have the authority to ensure that leaseholders commence production of oil and gas and continue to produce at specified rates and quantities for the duration of their permits and leases.

Some hon. members have expressed some concern about the possible abuse of ministerial authority because of the discretionary powers which are necessarily entrusted to the minister in the legislation. I would remind the House that any careful reading of the bill will reveal that discretionary powers of the minister can be challenged in the courts and reviewed by the courts. There are appeal mechanisms built into the legislation.

Finally, there are tough new controls provided in the legislation for protecting the environment. Companies will be required to contribute to a fund to provide for the basic knowledge needed to analyse any possible environmental degradation. In addition, should any oil spill occur, the government does not have to prove negligence or fault to secure funds for clean-up or compensation.

These stringent provisions of the legislation provide for the absolute liability of the lead operator of any consortium for any damage caused by any oil spill. I might also add that any development, as is made plain in the legislation, will necessarily reflect the social and environmental concerns and the legitimate aspirations of the native peoples of the north and of the residents of coastal provinces.

In conclusion, I want to note that the legislation before us does provide for more opportunities for Canadians, not only to participate directly or indirectly in the development of our Canada lands, but also more opportunities for Canadians to provide the goods and services to sustain the growth in our petroleum sector. We have no doubt that, given the opportunity, smaller Canadian companies will measure up to the opportunities and challenges embodied in this legislation.

As the minister said, we shall welcome the referral of this bill to the Standing Committee on National Resources and Public Works to review this legislation. We are eager to see the bill come before committee. It will provide an opportunity to hear the comments of those persons active in the industry, of those persons with environmental concerns, or the interests of native people, so that we can proceed expeditiously to develop the great new opportunities which face us all in the Canada lands in the north, in the ocean areas and in the territories.

● (1720)

Some hon. Members: Hear, hear!

Mr. Howard Crosby (Halifax West): Mr. Speaker, Bill C-48, to enact the Canada oil and gas act will govern the exploration and development of the so-called Canada lands. What is equally important is that the bill represents the government's implementation of "The National Energy Program" first revealed on October 28, 1980, on the occasion of the budget speech.

It is claimed that the National Energy Program has two basic goals: first, to develop Canadian energy resources so that energy self-sufficiency will be achieved across Canada, and second, the National Energy Program adopts measures intended to Canadianize the nation's energy industry. At face value these are laudable goals, but closer scrutiny reveals a plan and a policy which, if implemented without regard to the realities of the worldwide energy complex, will at best nationalize and socialize the energy industry.

If that were only my own opinion I would not expect it to be taken too highly, but I notice that an editorial writer in the *Halifax Mail-Star* took much the same position. He commented upon the remarks of the parliamentary secretary, who just spoke in the House, at a press conference when he said that the new bill was an affirmation of the government's view that offshore resources belonged to the people of Canada. The commentator said that this was quite an interesting statement for many reasons. He indicated that, for one thing, it almost sounded like a socialist battlecry. "Workers of the world unite", said the commentator. Also he said, "It seems to me that the legislation means I own a part of the resource just like Russian citizens own their energy resource". He went on to say that certainly the ownership of a resource like oil is really not the question; the question is how the resources of the country can develop these assets to the benefit of Canadians. Finally he went on to say that while he had not yet seen the details of the new legislation, the press reports were very disturbing. He said that the Trudeau government seemed to have viewed its election mandate as support for the nationalization of an industry and the further socialization of the country as a whole. Those were the remarks of a commentator as reported in the *Halifax Mail-Star*.

The other real possibility is that the National Energy Program will bankrupt Canadian-owned energy producers in the oil and gas field and drive away from Canada those non-Canadian Corporations and syndicates which, until now, have