

*Oil and Petroleum***GOVERNMENT ORDERS****PETROLEUM ADMINISTRATION ACT****MEASURE RESPECTING THE ADMINISTRATION OF
INTERPROVINCIAL, EXPORT AND IMPORT TRADE IN
PETROLEUM AND PETROLEUM PRODUCTS**

The House resumed consideration in committee of Bill C-32, to impose a charge on the export of crude oil and certain petroleum products, to provide compensation for certain petroleum costs and to regulate the price of Canadian crude oil and natural gas in interprovincial and export trade—Mr. Macdonald (Rosedale)—Mrs. Morin in the chair.

The Assistant Deputy Chairman: It being after six o'clock, I do now leave the chair until eight o'clock.

At 6:10 p.m. the committee took recess.

AFTER RECESS

The Committee resumed at 8 p.m.

On Clause 3—*Binding on Her Majesty*.

The Chairman: When the committee rose we were considering an amendment to clause 3. Shall the amendment carry?

Some hon. Members: No.

Amendment Mr. Hamilton (Qu'Appelle-Moose Mountain) negatived: yeas, 6; nays, 25.

The Chairman: Shall clause 3 carry?

Mr. Baldwin: On division.

Clause 3 agreed to on division.

On clause 4—*Definitions*.

Mr. Macdonald (Rosedale): At this point, Mr. Chairman, we start Part I of the bill, the provision for the petroleum export charges. Clause 4 is the definitions clause embodying substantially those found in the Oil Export Tax Act of 1974. I have an amendment to offer to this clause as follows:

That Bill C-32 be amended by striking out line 23 on page 2 thereof and by substituting therefor the following:

"for delivery outside Canada or to use it as bunker or aircraft fuel outside Canada by such persons in such circumstances as may be prescribed by the regulations;"

[Mr. McCleave.]

The purpose of the amendment is to make certain that aviation fuel and bunker fuel from Canadian sources are included in the definition "oil product". Foreign aircraft landing in Canada which until now have been able to obtain fuel at lower prices than those current in the United States—in effect they come here, fill up with Canadian fuel and go away with a full load—from now on will be obliged to pay the export tax.

The Chairman: To make sure there is no procedural difficulty, maybe the amendment could be moved by one of the minister's colleagues.

Mr. Sharp: I so move.

Mr. Hamilton (Qu'Appelle-Moose Mountain): I wish to thank the minister for letting us see the amendment ahead of time. We have had an opportunity to read it and we approve it.

Amendment (Mr. Sharp) agreed to.

Mr. Hamilton (Qu'Appelle-Moose Mountain): I have one question for the minister. According to the definition, "exporter" means a person. Am I right in concluding that "person" is a term which covers Crown corporations or any agency of the Crown, provincial or federal?

Mr. Macdonald (Rosedale): Yes, Mr. Chairman, pursuant to the Interpretation Act.

Clause 4, as amended, agreed to.

On clause 5—*Charge in April and May*.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Would the minister ask his officials whether they could make available to us figures showing how much money has been collected up to the end of the calendar year 1974, month by month?

Mr. Macdonald (Rosedale): We do not have that information at the moment but I will get it and make it available to the hon. member.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Perhaps we could stand clause 5, go on to the other clauses, and come back to it when the information has been supplied.

The Chairman: Is that agreed?

Some hon. Members: Agreed.

Clause 5 stood.

Clause 6 agreed to.

On clause 7—*Imposition of charge*.

Mr. Ritchie: I should like to make a few comments on this clause, Mr. Chairman. The setting of a flat rate of export tax has served some parts of the industry badly. In the finance committee the other day I asked some questions about the effect of the export tax in this form. I asked the Minister of Finance about the Fosterton fields in Saskatchewan, crude from which was shut out of the United States market because there was no demand for it there. The minister turned to Mr. Shoyama, who said:

One of the facts which was not foreseen at the time the oil price was increased in 1974 was that the flat amount per barrel was applied to all