

*Canada Petroleum Resources Act*

dealing with subsurface storage leases, it could mean dealing with the subsurface storage of butter, cabbages or anything else. I think a little bit of rewording is necessary.

With respect to royalties, let me put the good point first. I am pleased to see that a proper appeal procedure is to be put in place so that if someone has an objection against a royalty payment that they are obliged to make, they can appeal. There are a few points that are probably not to good, Sir. The amount and method of calculation for royalties has been left entirely to regulations. We had an explanation by the Parliamentary Secretary when he introduced the Bill saying what the royalties were to be. Generally speaking, the amount and method is pretty good, 30 per cent of net cash flow. I just wish these things had not been left entirely to regulations. There should be something in the Bill so that you could determine in an act of Parliament what is the maximum royalty to be paid. It is most important to know this when you are making a decision whether to invest or not to invest in the exploration for oil and gas.

I had many more things to say, Mr. Speaker, but I guess my time is getting nigh. I will put some of my notes aside for a further occasion. I think the Bill is a vast improvement on the Canada Oil and Gas Act. It will, however, require very careful study in committee. I imagine that many amendments will come forward as a result of committee study. I am pleased to support a Bill that will work to the best benefit of petroleum explorers, producers, consumers and Canadians in general.

**Mr. Althouse:** Mr. Speaker, I was interested to note in the comments of the Hon. Member for Western Arctic (Mr. Nickerson) when that he mentioned the back-in provision and the insistence, I suppose would be the word, of Canada to remain involved in the development or ownership of these oil lands. He compared that to an attitude of banana republics. He implied that only very backward nations followed such practice. The British have used a system of common lands all through their history, with a few minor exceptions. There was an enclosure movement at a time when some of the new capitalist class and the lords were getting very strong. They actually took over the common lands and enclosed them for a period of time, a move which was not remembered very fondly by most people.

● (1130)

Does the Member see that period of time as being the ultimate in the development of a country? Is he in fact advocating that Canada no longer treat parklands and our northern areas as part of the right of all Canadians? Does he feel that the use of oil from these lands should not at least partly accrue to Canadians as has been the British approach of keeping some lands for common use? Is he proposing to return to a form of enclosure?

**Mr. Nickerson:** Mr. Speaker, I did not anticipate getting into a debate on the enclosure movement which occurred in England and other European countries as early as the 14th

century, continuing until the 18th century. It is significant to note that the enclosure movement in Europe did not coincide with the great increase in capitalism of which my friend does not approve. It began much earlier than that and had much to do with the development of the wool trade, if I understand my English history correctly.

In any event, whether or not that is the case, I cannot see any analogy between what happened in the 15th century in England and what is happening under this Bill. It is made very clear that the people of Canada own the oil and gas lands. The most that will ever be given to anyone is a licence to produce. They will not even be given a lease. What do national parks have to do with this issue? This Bill has absolutely nothing to do with Banff National Park or any other national park. This Bill has to do with the disposition of oil and gas lands in areas which are not national parks. If the Hon. Member had taken the trouble to read the National Parks Act he would know that it is not possible to get any kind of oil and gas rights in a national park. I do not know what the Hon. Member is talking about.

**Mr. Althouse:** Mr. Speaker, I wanted to make certain that the Hon. Member put his own philosophy very clearly before us as it applies to national parks. From his remarks it sounded as though he was proposing to back away from the system of keeping Canadian content in those lands.

The Member went on to discuss the posting and bidding system in this Bill. He mentioned that the terms would be known before the drilling began. Does this mean that the public and interested bystanders would know the precise terms arrived at, or is there still some protection of so-called commercial confidentiality? Will other bidders become aware of why their bids lost out? Will that kind of information be made available?

**Mr. Nickerson:** That is the whole idea behind it, Mr. Speaker. Under the Liberal administration there was secrecy. One person said he would do one thing and another person said he would do another. Other people did not know what they were doing. Some bureaucrats then decided that one deal was better than another. Perhaps the Minister stuck his nose into it too. They considered which bidder was the best Party supporter and which would help out in the next election. That was the old system under the Liberals. We now have clear skies. Everyone will know what are the terms and conditions before the bids are made. It will be a free and open process. That is what it is all about. I am very pleased that the Hon. Member raised this point because it has allowed me to stress that very important difference in philosophy between the Conservatives on this side of the House and the socialists who hide under a shroud of secrecy on the other side.

**Mr. Althouse:** Mr. Speaker, would the Member for Western Arctic (Mr. Nickerson) confirm that the Government is proposing quite a different process than that currently being followed in the Department of Regional Industrial Expansion?