

*Canada Oil and Gas Act*

tion Act, as reported (with amendments) from the Standing Committee on National Resources and Public Works, and Motion No. 25 (Mr. Wilson).

**Mr. Gordon Taylor (Bow River):** Mr. Speaker, we were discussing Motion No. 25 last night at adjournment time and I want to continue that discussion now.

There are major differences between a totalitarian government and a democratic government. One of the most conspicuous differences is that a democratic government has respect for private property and the ownership of that property, while a totalitarian government does not respect private property or private ownership of that property.

A very definite example of that is the communist march into the Ukraine when thousands of Ukrainian people, who loved their lands, farmed them and produced, lost that property. The communist regime took—took, extracted and expropriated—not leaving them enough even to live. That is characteristic of a totalitarian government.

A democratic government respects private property, and I want to deal with that particular point now. While in the charter of rights the present government did not include the right to own property as one of our rights, I am sure the vast majority of the people of Canada would want that right recognized, not necessarily in a charter, but as a basic principle of this country. We do have the right to own property.

With the right to own property comes the right to make decisions in regard to that property. This is the point that bothers me with this particular piece of legislation. By this legislation the government is showing no respect for the ownership of private property, and that is a serious charge. When the government can seize 25 per cent of the assets or discovery of a company and then hand them over to a Crown corporation, that does not show respect for private property.

**An hon. Member:** It is stealing.

**Mr. Taylor:** Yes, it is stealing, as my hon. friend says. It is similar to what the communists did to the people in the Ukraine when they expropriated their lands, taking more than a just or fair share. Those people were not even left enough to live on.

There are better ways of doing this and I want to suggest a better way. It is easy to criticize and I want to suggest a different method. I would hope that this government, in a democratic country, a country that has been built through basic free enterprise principles, would now endeavour to administer the country under democratic principles. This method of seizing 25 per cent simply by taking it and handing it over to a Crown corporation is not democratic, in my view. I dealt with that last night and I want now to go to another point.

We know the Crown requires money and I agree that the Crown requires a share of the development of our resources. But this share does not have to be expropriated, confiscated or stolen from the people. That is not at all necessary. The government could do in the Northwest Territories with those

millions of acres something similar to what was done in the province of Alberta, and probably elsewhere in Canada, under the free enterprise principle. I hear members periodically making derogatory remarks about the Heritage Fund of the province of Alberta. I want to tell them that the Heritage Fund was built through free enterprise principles. That fund was built through the sweat of the work of thousands of people. That is why the people of Alberta value it so highly. It was built up through their own sweat and blood. How did they do this? They allowed foreign money to come in, but the foreign companies bringing in the money had to work according to the rules of the government of Alberta and the Government of Canada. Those companies did that and were able to make a dollar as well. They applied for a lease of land. If they got a lease three miles by three miles in some part of Alberta, the southeast corner, nine square miles, and the company struck oil, the government would not come along and say, "We will take that away from you."

● (1600)

What happened was that the company went to the site carried out seismic and engineering work to find out how much oil was there. The company would dig a well or two, whatever minimum number was required and production would commence in the event of an oil find. If a company wanted to keep the balance of the nine square miles, it had to pay money into the coffers of Alberta for the privilege of keeping it. However, if a company wanted to let five or seven square miles go, it could. That land would be put up for auction. Other people or companies could bid on the land. This produced millions of dollars for Alberta's coffers and it was produced by private enterprise, not by taxpayers' money. People could drill wells and if they struck oil, they knew they would have ownership of it.

What about the people's share? The companies paid royalties and these royalties went into the coffers of the Alberta government. That money belonged to all of the people of the province. This method brought the province from a have-not province to a have province. In addition, federal income taxes were paid on any taxable property or any taxable income.

That method is the orthodox method. This government could do the same thing by including in this bill a lease option of, say, nine square miles, or even 16 square miles. Drilling could take place and the federal Crown would get its share from royalties and income taxes. Parts of the nine or 16 square miles not used could be put up for auction. Why does the Government of Canada not investigate how the Heritage Fund was built up? The Heritage Fund did not suddenly come out of the sky. It came as a result of hard work and careful planning, giving everyone a chance to make a dollar and get a square deal.

Instead of doing that here, we are favouring one particular Crown corporation. Favouritism does not pay off. There will be no credibility if one continues to favour one branch of the oil industry over another. I have nothing against Petro-Canada, but why does it not stand on its own feet and make its