

Oral Questions

against its inactivity in the search for new markets, both domestic and external?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, I am glad to see that the other official language is so very well represented on the other side of the Rockies.

I shall reply to the hon. member that this program is aimed at discouraging companies from throwing pell-mell their surpluses on the market. Implemented at a time when inventories are somewhat high, it was precisely aimed at avoiding dumping which would have had a depressive effect on prices.

I suggest to the hon. member that this program applies only to species of fish whose turnover is somewhat slow on the market and for a few months only. This does not mean that we are trying to discourage the search for new species or the development of those which sell well.

May I remind the hon. member that our bigger buyer of fish, namely the U.S. market, is faced with a decrease and a slow-down period. We shall have to work harder.

In fact, we intend to set up, together with other countries, an advertising campaign aimed at promoting the sale and consumption of fish.

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[English]

ADMINISTRATION OF JUSTICE

COURT CASE IN SASKATCHEWAN CONCERNING OIL ROYALTIES—POSSIBLE INTERVENTION OF FEDERAL GOVERNMENT IN APPEAL

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, some weeks ago I asked the Minister of Justice about the quarrel between the provinces and the federal government over royalties. In regard to this negative decision taken by the Queen's Bench court in Saskatchewan, I asked the minister whether the government of Canada was going to join with the oil company in appealing the case to the appeal court. In view of the constitutional implications of this matter for both levels of government, has the minister succeeded in making contact with the government of Saskatchewan and arranging for counsel to expedite the hearing before the appeal court, say in February or March?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, again the hon. member has put it quite wrongly in his use of the expression that we were joining with the oil company. It is our intention, because of important constitutional issues, to intervene in the case. There has been contact between counsel on behalf of the government of Canada and counsel involved in the case. Certainly, it is our hope to expedite the case in every possible way.

Mr. Hamilton (Qu'Appelle-Moose Mountain): A supplementary question, Mr. Speaker. Would the Minister of Justice, with his considerable knowledge of constitutional law—

Some hon. Members: Question.

[Mr. Munro (Esquimalt-Saanich).]

Mr. Hamilton (Qu'Appelle-Moose Mountain):—have a chat with the Minister of Finance, who just said in answer to a question this morning that this was a sheer matter of distributing income or revenue, not a constitutional matter, and explain the facts of life to the Minister of Finance?

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FINANCE

ALBERTA ANNOUNCEMENT OF INCREASE IN OIL PRICES—SUGGESTED ALTERATION OF FEDERAL TAX PROPOSALS FOR OIL INDUSTRY

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I have a question for the Minister of Finance. In view of the very important initiatives announced yesterday by the premier of Alberta, demonstrating that province's concern for the security of oil supplies for Canadians, would the Minister of Finance soon be making similar announcements or alterations in his tax proposals, therefore demonstrating to the oil industry and the country that the federal government shares similar concern for the security of oil supplies for Canada?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, when I learned yesterday of the premier's move I said it was a substantial move in the right direction toward restoring the health of the petroleum industry in this country, that, taken together with the initiatives here on budget night on November 18, the petroleum industry was now in a situation where it could have sufficient cash flow to explore, develop and bring in the reserves that Canada needs. We have made a preliminary appraisal of the figures given by the premier and have worked them through the computers. I hope that the industry will do the same thing, and we will try to ascertain whether, on the basis of the initiatives of November 18 taken by the federal government and the initiative announced yesterday by Alberta, the industry is in the state of financial capacity that I think it is.

● (1140)

Mr. Andre: Mr. Speaker, as the minister knows, or should know, the very substantial decreases in spending on exploration and development are a result not only of what industry perceives as greed on the part of the government, but are also alarmed at the principle of double taxation which is inherent in the minister's budget tax proposals. Certainly, that is the reason behind the drop in exploration and development in federally administered lands. In view of the Alberta government's very significant initiative announced yesterday, will the minister undertake to at least consider altering his proposals about the tax deductibility of royalties.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, we will certainly analyze the figures very carefully to see what the situation is.