

Canada Oil and Gas Act

for the minister to approve plans for the employment of Canadians and for the use of Canadian goods and services in projects under the jurisdiction of Bill C-48. We on this side have been pressing for this, and we look forward to the regulations or the business plan the minister or his colleague, the Minister of Industry, Trade and Commerce (Mr. Gray), will be presenting to companies, so that we can judge the merit of this approach.

We believe this is important because of the job-creating possibilities there are, the increased opportunities to develop technology within this country, and the opportunities to export that technology in future years. The impact of that on our over-all balance of payments can be very significant, and this is something we believe is very important to keep in mind in the development of those regulations. However, it is essential to provide the companies with these ground rules beforehand so that they know what they are dealing with and how to conduct themselves in the development of these offshore resources. It is essential that in the development of these ground rules we limit the amount of discretion the minister has, and give the participants as firm an understanding as possible of what constitutes good behaviour in the use of Canadian people and products in these developments.

While I am on this subject I would like to draw the attention of the minister to a matter which my colleague, the hon. member for Calgary Centre (Mr. Andre), raised in the House the other day and of which the minister disclaimed any knowledge, that is, the question of the purchase by Petro-Canada of a drilling platform which, we understand, has been ordered from Japan.

The drilling platform will cost \$150 million. It is a Sedco designed platform, and Thompson Drilling Company, owned by Atco Industries, a Canadian company, has had four identical rigs built in Canada, three in Halifax and one in Vancouver. Now we see Petro-Canada, the Canadian state-owned company, going to Japan to buy this same rig. We have asked the minister to get an explanation of this from Petro-Canada, and we ask him to impress upon Petro-Canada the importance of following the basic policies he is setting forward in this bill in the conduct of its activities. I hope the minister will be reporting to this House in a short period of time as to the reasons which led Petro-Canada to make that decision. It runs contrary to everything the minister has said, and I am surprised that he has not been on top of it prior to this.

Let us step back for a minute and look at Bill C-48 as it affects development in this huge area. If the result of Bill C-48, as I set out in the section of my remarks with respect to self-sufficiency and how we are going to take ourselves to self-sufficiency, is truly a slowdown in activity, the north will be affected in a very serious way. We have seen indications of budget cutbacks already. Job opportunities for native peoples will decline. Manufacturers and suppliers of goods in Alberta and central Canada will see orders to which they were looking forward to receiving, vanish.

I refer again to the Economic Council report which notes that the major opportunity for Canada to get out of the

economic doldrums it is in today is through energy development. We do not see a sufficient forward thrust in Bill C-48 to move us in the direction to which the Economic Council refers. Major opportunities for economic development will be lost, and it is very important today at a time when one million people are unemployed and when we have a \$17 billion deficit on our manufacturing trade—to say nothing of what this can do for energy supplies—that we err on the side of development and not on the side of greed.

I will not cover the question of the environment. My colleague, the hon. member for Hillsborough (Mr. McMillan), will be speaking to the House later with respect to the environment, but I wish just to note that that is a very critical element of this bill because of the very fragile nature of the environment and the ecology in the parts of the country which are affected, the north as well as the east coast offshore. We will be looking very closely at the environmental impact and at the regulations to be forthcoming as a result of this bill.

One final matter I wish to discuss is that of ministerial discretion. In reading this bill it is clear that there are many elements of ministerial discretion. This is of grave concern to me and, I believe, would be of grave concern to the people in the industry who have suffered quite seriously as a result of the discretion the minister has used to date in his very heavy-handed approach regarding the 25 per cent retroactive confiscation of the work which has been done to date. Against that background, participants in the industry must query whether there will be other areas in which the minister will exercise his discretion in a negative way. I have identified 23 significant areas of ministerial discretion. I believe these must be reviewed very carefully in committee. Petro-Canada can be designated the operator, and fields can be delineated by the minister and not by the industry. The power is particularly dangerous in the hands of a minister who has the record of this one.

In summary, we are pleased to see this bill come forward. We have waited, as I said earlier, since 1970 for legislation governing development in this part of our country. The objectives of the bill are worthy ones, but the bill is singularly ill-conceived in its structure with respect to the greed of the Government of Canada and its desire for control.

The government is undermining the objectives that the bill and the National Energy Program have set out to achieve. In the two key areas of self-sufficiency and Canadianization, the objectives of the National Energy Program have been undermined. This is a common thread in Bill C-48 and also in the Petroleum Administration Act, and I believe that the committee must give very careful study to certain elements of this bill in order to ensure that these objectives are not undermined.

I urge the Government of Canada to be flexible, as the minister has promised the House today, to be openminded, and to put the interests of the country ahead of the interests of the government in achieving what we want to achieve in the development of these resources. The Government of Canada has a grave responsibility to all Canadians with respect to economic development and security of supply. Its policies in Bill C-48 would lead toward an insecure energy future. We are