

*Territorial Lands Act*

Here again, if the program and the formula are found to be unacceptable by the provinces, they will have occasions on which to put forward their views. This is not a permanent program; it is to be enforced only over the next two years.

I think the other questions probably would be more properly dealt with at the committee stage. The hon. member for Winnipeg North referred to the \$2 billion figure. That did not relate to the 1974-75 or the 1975-76 period but, rather, to a year later when oil and gas revenues might rise to a substantially higher level than now exists. The hon. member will have an opportunity to direct questions to the minister on that specific part of the bill. With that, I would like to thank hon. members for their interventions and hope the bill will now receive second reading.

Motion agreed to, bill read the second time and referred to the Standing Committee on Miscellaneous Estimates.

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**TERRITORIAL LANDS ACT****CORPORATIONS IN WHICH GOVERNMENT EMPLOYEES PROHIBITED FROM ACQUIRING INTEREST**

**Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development)** moved that Bill S-20, to amend the Territorial Lands Act, as reported (without amendment) from the Standing Committee on Indian Affairs and Northern Development, be concurred in.

Motion agreed to.

**Mr. Buchanan** moved that the bill be read the third time and do pass.

He said: Mr. Speaker, the purpose of this bill is to remove the excessive and arbitrary penalty contained in section 24(2) relating to contravention of the terms of section 24(1) of the Territorial Lands Act. It is intended to provide for a blanket order in council which would enable an employee of the Government of Canada to become a shareholder in a corporation owning or having a direct or indirect interest in territorial lands. The order in council would spell out the type of shares which could be held and would be retrospective to cover those already owning such shares.

● (1640)

The hon. member for Northwest Territories (Mr. Firth) expressed some concern in committee when this bill was being discussed in so far as the conflict of interest aspect was concerned. The order would further state that an employee of the Government of Canada would not be authorized to hold such interests as a shareholder where that interest would enable the derivation of any direct or indirect interest from government contracts over which he could influence decisions, or would create a conflict with his public duties.

It should be noted that an individual order in council would still be required to authorize the purchase or acquisition of territorial lands for, as an example, recreational or other personal use. The order would apply to shares

[Mr. Cullen.]

acquired by an officer or an employee of the Government of Canada either before or after the making of the order. The amendment in the bill does not contravene the provision of the Treasury Board conflict of interest guidelines. Should an employee of the Government of Canada be clearly aware of a real or potential conflict of interest, he would be expected to declare it.

There is one other point that was made during the debate in the committee. The hon. member for the Yukon (Mr. Nielsen) expressed some concern about the use of the singular rather than the plural, and he was concerned that this would have the effect of still requiring individual orders in council rather than a blanket order in council. We pursued this concern with the Department of Justice and were informed that one should not read any significance into the use of the singular rather than the plural in a legislative sentence, unless the context would clearly provide or require the singular use only. The singular includes the plural, and vice versa in this case. In the present case, the difficulty does not revolve around this factor. The difficulty in enacting a general order under subsection 24 (1) as it now reads is that there are no guidelines given on the power to prescribe the interest in a corporation or the interest in a class or classes of corporations that may be authorized by the order, so that it is impractical to make a general order under subsection 24 (1) as it now stands.

The proposed new subsection 24 (2) contained in Bill S-20 would remove this difficulty and permit a general authority to be issued, which is the objective.

**Mr. Wally Firth (Northwest Territories):** Mr. Speaker, I should like to make a few observations regarding Bill S-20 which in my opinion is being passed a little too quickly through the House and was passed through the committee a little too quickly. I was sorry that witnesses were not called from the Northwest Territories or the Yukon to make their views on this bill known. When the bill was introduced in the House on April 11, I mentioned the fact that I thought it was quite important to the north and that I would like to see witnesses from the Northwest Territories brought before the committee because a number of important things are happening in the north at this time. First, there is the possibility of granting the right-of-way for the proposed pipeline, there is the question of unsettled land claims of the native peoples, the expansion of communities there, and so on.

I find myself unable at this time to vote in support of this bill and I urge other hon. members not to vote for its passage. It contains certain provisions which I find not very satisfactory. It raises in my mind a question as to whether the bill applies to commissioner's land. In the Northwest Territories we have town or hamlet council land, municipality land, commissioner's land around the municipalities, and then Crown lands. I believe this bill would leave it open to federal civil servants to purchase commissioner's land. Should they be in a situation where they would have prior knowledge of the expansion of a municipality, they would know what land could become valuable in the future, thus making speculation and conflict of interest possible.

Another serious question that I have with regard to this bill is, who will police its regulations? The intent of the