

Canada Oil and Gas Act

regardless of the resource, has proven to responsible governments, beyond any measure of doubt whatsoever, that a specific royalty is detrimental to development. The only royalty which a province or federal structure should seek is on a profit-sharing basis.

One of the biggest mining developments in New Brunswick employs a couple of thousand people. It would never have got off the ground if the province of New Brunswick had applied a specific royalty on the specific minerals which were withdrawn from the soil at Bathurst. It was by agreement between the Hon. Hugh John Flemming, then premier of New Brunswick, and the Right Hon. John Diefenbaker as prime minister of Canada that a new formula was devised to make work in Bathurst through the development of our resources, with the province to get a percentage of profit as a royalty.

If a percentage profit had been the basis for royalties in western Canada and in the mind of this federal government, those 500 oil wells in Saskatchewan would still be producing, and those 175 rigs which have left Canada would still be drilling. Anybody who has any love for Canada whatsoever and understands the business concept of a free world knows there must be a new formula.

In spite of all the bellyaching from your right, Mr. Speaker, let me point out one thing. The relations between the Leader of the Opposition when he was prime minister and the provinces of Canada at no time cause a shutdown of wells or a reduction in oil delivery. Nor did it interfere with exploration. Nor has it caused the postponement of any development or exploration, and when that contrast is drawn, the government should only speak of its own performance with a sheepish look and a covered face.

● (2110)

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, I would like to begin by observing that the demonstration we have seen in the last hour put up by the hon. member for Burin-St. George's (Mr. Simmons) indicates he certainly is no beautyrest. He has created an ache in the backsides as no other member has since that late appointee from Spadina to the other place.

Let me begin by saying that the debate on this bill is right now totally out of place. What we ought to be debating are matters of the Post Office and the fact that potentially 1,000 to 1,500 businesses per month, will go bankrupt as a result of the postal strike, if this government does not get the Post Office working again. Here we are debating Bill C-48 at the report stage, even though there was a commitment to save it for a fall debate.

We have before us Bill C-48, even though off schedule.

Some hon. Members: Oh, oh!

Mr. Friesen: Let me reply to the hon. member for Vancouver-Kingsway (Mr. Waddell). It seems to me that since the last election the Liberal government has made certain the people from British Columbia are alienated from the government. To

speaking on behalf of British Columbia has fallen to the lot of only one party, and that is the Progressive Conservative Party whose members now speak on behalf of British Columbians.

I remember the debate on the Constitution and I cannot remember members to my left speaking on behalf of British Columbia during that debate. As a matter of fact, we had an indication of the direction those members want to go when it came to a discussion of natural resources at that time. I fully recall, and I checked with *Hansard*, a speech made by the hon. member for Kootenay West (Mr. Kristiansen). I recall very clearly that he said the former Premier of British Columbia, the Hon. Dave Barrett, indicated at the 1975 federal-provincial conference that if the federal government would promise it would nationalize the natural resources of the provinces, British Columbia would gladly turn over its natural resources to the central government. That was the commitment Dave Barrett made in 1975, and I think members to my left will acknowledge that. The hon. member for Kootenay West approved of that commitment. Incidentally, that is why the New Democratic Party during the Constitution debate supported the Liberal Party in the matter of ownership of provincial resources. In a sense we have to say who speaks on behalf of the people of British Columbia.

An hon. Member: The NDP.

Mr. Friesen: The hon. member for Vancouver-Kingsway wants to speak on behalf of the central government, letting the central government acquire all the resources that belong to the province of British Columbia. He speaks on behalf of the north, and that is fine, it is part of his mandate as a critic for that party, but somewhere along the line somebody has to speak on behalf of the people of British Columbia.

It seems to me we are dealing not only with the resources of that province, we are dealing with the inheritance of our children and their children. What members to my left and also those across the way would like to do is to develop an irrevocable act that would for all time turn over those resources to the central government, thus prohibiting future generations in British Columbia from having any kind of control over those resources.

This amendment is vital. For the record I want to say it was the hon. member for St. John's East (Mr. McGrath) who proposed an amendment to Bill C-48 which is entitled "An Act to regulate oil and gas interests in Canada lands", which should more honestly read "an act to confiscate oil and gas interests in Canada lands". The hon. member for St. John's East would like to see his amendment accepted so this act would have no authority over offshore resources.

I should like to have heard the hon. member for Vancouver-Kingsway speak on behalf of the offshore resources in British Columbia, resources of very vital interest to the people of that province. As he knows, interest in offshore resources in British Columbia is growing rapidly. The land is being parcelled off for future drilling. There is increased interest in drilling for gas in the ocean waters of British Columbia, but that interest will never be developed until this question is settled and until