north and offshore. That concern found expression in Bill C-20 to which reference has been made during this debate.

Some members may recall that under the old system companies applied to the federal government for permission to explore on a block of Canada land and, if an application was approved, an exploration permit with a duration of as much as 12 years was granted. In addition, companies which were entitled subsequently to convert the exploration licence into a development permit or lease had the opportunity to sit on that land for as much as 21 years and, in fact, even renew their opportunity for a period beyond that.

In such circumstances, the public control was limited and scrutiny was weak. Many of the most promising Canada lands, those with the greatest potential for oil and gas development, were effectively alienated from public control and from more vigorous competitors who might have been expected to bring on-stream the resources more rapidly.

Additionally, there was in both the former practices and in Bill C-20 inadequate provision for the protection of a fragile environment both offshore, Atlantic and Pacific, but especially in the high Arctic. There was little in the old act to minimize environmental disruption because that too was not then a subject of great public concern.

Finally, in regard to Bill C-20 and to the practices of two decades or more, there was little recognition given to the situation of small Canadian gas and oil companies. They were few in number at the time and were without any real incentive to participate in the challenging exploration and development possibilities in the Canada lands.

It was as a result of the growing concern that the previous practices were inadequate, that they were not leading to the development which was increasingly recognized as important to Canada's energy future, that the government published a policy statement in May, 1976, which undertook to provide for the governance of oil and gas rights in the frontier lands. That policy statement sought to increase exploration and development, to accelerate the flow of accurate information, of which there was little enough, and to encourage greater Canadian content and participation in the resource development.

The minister of the day noted when referring to Bill C-20, and I would like to quote for a moment from him:

These changes will update the regulations to provide Canadians with increased control over and participation in frontier exploration—

The minister brought that bill forward at the time to do a number of things: to increase the required levels of exploration work; to reduce statutory land tenure; to increase land rentals; and to provide Petro-Canada with an option for a 25 per cent working interest in special renewal permits or provisional leases and an option to acquire existing Crown lands as well as 25 per cent of lands returning to the Crown.

In addition, Bill C-20 provided for a 10 per cent royalty plus a progressive incremental royalty on field profits. The confidential periods of exploration information were reduced, or would have been reduced by that bill, and the minister would have been empowered to do a variety of other essential things to ensure the more rapid and orderly development of our frontier lands. The minister would have set prices, taken royalties in kind rather than in cash. He could have ordered drilling on permits or leases where no such drilling was going forward. He could have ordered production to begin or production into specific domestic markets. The minister could have, where discovery had been made, set a minimum level of Canadian ownership as a condition of production and indicate the manner in which that level was to be obtained.

• (1700)

I have spent a moment on those aspects of Bill C-20—which died on the order paper some three years ago—because many of the features of the present Bill C-48 have been before the Canadian public, and before this House of Commons for that period of time. Certainly there are additional features in the new legislation, but the broad outlines of Bill C-48 were adumbrated in Bill C-20. They were also subsequently set forth during the election campaign and in our more recent National Energy Program. Our party indicated during the election campaign that if elected we would move to strengthen the role of Petro-Canada and that we would accelerate the drive toward self-sufficiency in petroleum products. For the same reasons that motivated us then, we believe the reform of our oil and gas regime in Canada lands is even more pressing today.

Those who wanted to anticipate the aspects of Bill C-48 pertaining to Canada lands would have done well to refer to the national energy policy where the commitment is made to accelerate the development of our frontier resources and to enable Canadians to participate in that accelerated development to a degree which has not been the case in the past.

Among the most important provisions in Bill C-48 not included in the former Bill C-20 is one relating to the concept of a 25 per cent Crown share, an aspect of the bill to which reference has been made during this debate. That provision replaces one in Bill C-20 which provided for both a 25 per cent back-in option for the Crown and a special Petro-Canada land selection preference. I believe members of the House will be familiar with that former back-in option. However, with regard to the special Petro-Canada land selection preferences, members may recall this took the form of Petro-Canada's right to select up to 25 per cent of all lands reverting to the Crown during the period of seven years. Neither the 25 per cent back-in or the preferential selection rights are included in the bill because they are being replaced by the 25 per cent Crown share concept.

One or two opposition members have suggested that while it would be fair and just to ask companies applying for new permits to abide by these new and, in our view, welcome rules, all existing permits should be exempted. To me that is a little like saying we are going to increase the income tax but only for new taxpayers and that we will exempt all previous taxpayers. I would suggest to you, Mr. Speaker, that that would be an unfair and unjust policy.