

*Oil and Petroleum*

**The Assistant Deputy Chairman:** The Chair recognizes the hon. member for Qu'Appelle-Moose Mountain.

**An hon. Member:** Why not the hon. member for Sault Ste. Marie?

**Mr. Baker (Grenville-Carleton):** Who is in the Chair? How dare you do that to a lady!

**Some hon. Members:** Oh, oh!

**Mr. Hamilton (Qu'Appelle-Moose Mountain):** Madam Chairman, I was asking a series of questions which can be answered only by the minister. As this bill, in conjunction with the budget, presents serious constitutional implications, and as I asked in what manner has the government changed its attitude since we last discussed the bill, I suggest that my question should be answered by the minister speaking for the whole government and not by the parliamentary secretary.

I pointed out that the National Energy Board and the Economic Council of Canada in their reports both asked the government to quit quarrelling with the provinces and return to the business of restoring the health of oil and gas companies in order that we may foster development. The dangers of which I warned the government, dangers which flow from a confrontation between provincial premiers and the federal government, have been realized. I told the committee what the premier of Quebec thinks. I have before me a whole file of clippings showing what other premiers think, but I will not read them to the committee.

In our discussion of clause 2 we are dealing with the general purposes and general thrust of this bill. I have raised questions concerning the National Energy Board report, the Economic Council of Canada report, the budget, the position of Premier Lougheed, who is the main partner in the agreement of March 27 as he is providing 85 per cent of the oil, and other questions concerning the reactions of the governments of British Columbia, Saskatchewan, Quebec, Newfoundland and other governments.

In view of the current position I would think that it would make good sense if the government after a full cabinet meeting, could look at the new factors which have arisen and withdraw the bill until there can be consultations with the premiers of all provinces. If we are to keep our federal system strong, the federal government must show positive leadership. Our system can be kept strong only by consultation and agreement, not by confrontation.

**Mr. Blais:** That is what the bill says.

**Mr. Hamilton (Qu'Appelle-Moose Mountain):** The bill says, Mr. Chairman, that in the absence of agreement the federal government will use its power to impose conditions unilaterally. Further, the bill says that the government is to have permanent powers in setting the price of oil and of petrochemical products in this country.

● (1730)

This is a direct infringement on the provincial power of price setting. I say again that I am asking, in these opening remarks on this bill, that the government come down

[Mr. Foster.]

and state that its ministers as a government have considered this in council, and their position is this.

We are not dealing with itty-bitty little matters. We are dealing with the constitution of Canada. Bill C-32 was brought into this House to legitimize an agreement made orally between 11 heads of government. All parties agreed to legitimize that agreement by putting through this legislation. However, it is no longer in the ball park. It is an anachronistic type of legislation.

I wish to bring forward some points of which I think we should take note. When the vote came up in the House on Supplementary Estimates A, I spoke to the head of the Treasury Board. I pointed out that the vote which made it legitimate for the government of Canada to pay subsidies to those people east of the Ottawa line only carried until the end of December, 1974. As a matter of procedure in this House it should be proper, I told the President of the Treasury Board either to change the wording of the vote, which was inaccurate, or raise the amount to the full fiscal year to the end of March. He promised to consider that.

The change was not made. This indicates that the government is deliberately trying to cut off the money to subsidize the people in eastern Canada at the end of this year. When the government had a chance, during debate on the supplementary estimates several weeks ago to make that vote effective until the end of March, 1975, at the request of the spokesman for the official opposition on oil and gas matters, it did not do it. Instead it has now come in with a bill that is redundant and out of date. There is no agreement to ratify. The Cabinet wants to waste the time of this House without a responsible minister here to speak for the whole government. I simply point out that if the government is going to play games with the people of Canada on a subject like this, and deliberately cuts off its power to give money as a subsidy, to people east of the Ottawa Valley which all parties have agreed to, the fault will lie on the shoulders of this administration.

**Some hon. Members:** Hear, hear!

**Mr. Hamilton (Qu'Appelle-Moose Mountain):** The provinces of Alberta and Saskatchewan voluntarily agreed last March to subsidize every consumer of oil products in this country to the extent of \$2.5 billion to \$3 billion a year. They did that as Canadians. They were praised in this House by all parties for their statesmanship.

Who destroyed this good will? Who broke the agreement? Who brought in Bill C-18 in the last session hours after the agreement was made, that destroyed the agreement? This government did. The budget of May 6 was a complete declaration of war. It was repeated again all during the election campaign. The Prime Minister and the Minister of Finance said this was a negotiating point, that they would reconsider it. However, when the budget came down on November 18, they again declared war. They pretended they were backing up by \$115 million a year on a \$3 billion industry.

I want to put something forward for the government's consideration because eventually this has to be dealt with by the government as a whole, not just by the parliamentary secretary or someone else. Her Majesty's Loyal Opposition is prepared to propose ways in this House that will prevent the government from taking off the subsidy for