

*Canada Oil and Gas Act*

with Canada lands and the royalties derived therefrom. Canada lands must be properly defined in terms of revenue. Obviously this is a money bill. The government is seeking more funds for its treasury. In that context, the limitation we seek on Canada lands is intended to restrict the extent to which revenues can be derived. Therefore, the relevance between funds collectible and the Canada lands is quite obvious.

**The Acting Speaker (Mr. Ethier):** With all due respect, I am sure the hon. member speaks with certain authority because of the long time he has been in Parliament, but I must say that the same speech could be repeated after we have passed the motion and are discussing clause 2. Motions are brought to discuss specific problems which hon. members find in a bill. The hon. member for St. John's East wants to have this particular clause excluded. I should like to be convinced by speakers as to why the motion was brought, but certainly when one wants to discuss the whole energy policy, it should be done when the bill is being discussed.

**Mr. McGrath:** Mr. Speaker, the reason I framed the amendment and moved it in the first place was that the exclusion of coastal areas from the Canada lands would mean that the revenues from offshore resources would accrue to the provinces. Revenues are at the very heart of the amendment.

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

● (2120)

**Mr. McGrath:** If you are now ruling, Mr. Speaker, that it is irrelevant to raise the question of revenue, then there is nothing left to discuss because you will have destroyed the whole thrust and purpose of the amendment.

**The Acting Speaker (Mr. Ethier):** I do not think I said that it was not relevant. I said that if the energy policy is to be discussed at length on this motion, then the Chair must take a stand at some point. I heard the hon. member for Assiniboia (Mr. Gustafson) talking about the energy policy and about the Canadian ownership program, which comes after motion No. 3 and which is not included in it. Therefore, the debate could be repeated again. If members wish to include in the debate the pricing dispute between Alberta and Ottawa, then I do not think that has any relevance to this motion at all. That is where I wish to draw the line. If the Chair is wrong, then I invite hon. members to guide me on this point.

**Mr. McGrath:** Alberta is now enjoying the revenue from these Canada lands, and the same is true of Saskatchewan.

**Mr. Gustafson:** I hope that the time which has been used in debating this issue will not be subtracted from my allotted time.

I will try to follow very carefully, and I believe I have, the issues which are before us. Nothing is more important to the energy policy of this country than the offshore oil relating to the Canada lands and its submarine areas. We are talking about an area which includes ten provinces of this country and from which some day the greater part of oil and energy may be

produced in this country. Thus, this issue bears a direct relationship to the energy policy. In the total concept of Bill C-48 there is nothing more important to discuss than the submarine areas and the issue being raised in motion No. 3 as to who controls these resources and who is to receive the revenue from them. If we cannot address ourselves to that issue, then there is nothing to address.

However, the parallel I was trying to draw here has to do with the concept of the government taking control through its energy policy, and particularly through Bill C-48. This is why the hon. member for St. John's East has addressed the important area of who controls that resource. In fact, in my opinion that is why we are having so much trouble in terms of the whole energy policy. Who controls the resources in the provinces is one thing. The whole question is that of control. This is the reason we are having so many problems with regard to the Constitution—we are talking about who controls resources.

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

**Mr. Gustafson:** If this House is to be limited to the point where we cannot discuss this vital issue which is before us, then we are in serious trouble in Canada. What is happening to the people of Newfoundland and their resources? This government, every member of Parliament on the Liberal side and 98 per cent of those in the New Democratic Party, will have to bear the responsibility of bringing a change to government patterns, something that has never happened before in the history of this country.

The traditional direction of dealing with offshore oil, or with oil found anywhere in Canada, has been that the government of Canada—the Liberal government—has a method of taxation and royalty which brought in a fair share of income for the people of Canada. We in the Conservative party believe in a fair share with regard to offshore oil for the people of Canada, and particularly the people of Newfoundland. Let us bring this about through the traditional method of taxation and royalty.

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

**Mr. Gustafson:** Let us not bring this about through the nationalization of our oil industry, because if that is done to the people of Newfoundland, Quebec, Ontario, Saskatchewan and British Columbia then they can expect that their gold and nickel mines and their steel industry will be nationalized in the same way our great oil industry is being nationalized by this government. One day every member of Parliament will have to bear responsibility for that to the people of Canada.

Before Bill C-48 is passed, I hope the government comes to the realization of exactly what it is doing. There is no more important area than that covered by motion No. 3, which relates to the area surrounding British Columbia, the maritime provinces and Newfoundland. It just so happens that right now off the coast of Newfoundland the development is such that we are focusing our attention on that area. One of the problems we always have is that we cannot see the forest for the trees. After listening to the Minister of Energy, Mines and