

domestic business. That is one level, 17.5 per cent. The second assistance that the federal government provides is through the Export Development Corporation with respect to the financing of the purchase once it is made by a foreign buyer.

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### ENERGY

#### EAST COAST OFFSHORE OIL AND GAS RESOURCES— FEDERAL POSITION ON DIVISION OF ROYALTIES WITH PROVINCES

**Mr. Lloyd R. Crouse (South Shore):** Mr. Speaker, I have a supplementary question for the right hon. Prime Minister. Does the Prime Minister's reply to my leader indicate that he is now dropping his claim to 50 per cent of the royalties on offshore gas and oil development which he has stated would accrue to the federal government and only 5 per cent would accrue to each province and, if so, what new formula is he now putting forward to which he now hopes the provinces of Atlantic Canada will agree?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, the negotiations are proceeding in a way which we hope that the government of Canada, speaking for all the people of Canada, will get what we expect is a fair share of these proceeds in view of the fact the courts have held, at least on the west coast, that these offshore hypothetical products would be under Canadian federal jurisdiction. This is the position we are taking. As to the exact percentage, I think the House will understand if I do not reply to that aspect of the question. It is a matter of negotiation and I would not want to state any figure which would put the federal government in a worse position than it would otherwise be in bargaining.

**Mr. Speaker:** The Chair will recognize the hon. member for a last supplementary question, but there are less than five minutes before the end of the question period and we are still on the first question.

#### EAST COAST OFFSHORE OIL RESOURCES—NOVA SCOTIA PREMIER'S REQUEST FOR FEDERAL PARTICIPATION IN PIPELINE TO MOVE SABLE ISLAND OIL

**Mr. J. M. Forrestall (Dartmouth-Halifax East):** Mr. Speaker, it is half past six according to the clock, and I recognize your difficulty. I wonder if I might direct a supplementary question past the distinguished member for Winnipeg North Centre to the Minister of Energy, Mines and Resources. Is there a substantial foundation on which the premier of Nova Scotia is basing his call and plea to the federal authority for participation in the development of a pipeline from Sable Island to the mainland or to a collection point for the collection of oil for the purpose of distribution to refineries for processing and subsequent distribution?

● (1430)

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, one of the options for further supply in the supply shortfall situation in eastern

### Oral Questions

Canada had been to consider the early possibility of bringing the east coast fields into production. That has been studied by my department.

**Mr. Forrestall:** Mr. Speaker—

**Mr. Speaker:** Order, please. I remind the hon. member that my difficulty is not that it is six-thirty according to the clock but that we have a 20-minute question period today. That is not my difficulty but that of hon. members.

**Mr. Forrestall:** Mr. Speaker, I rise on a question of privilege. The province of Nova Scotia through its distinguished premier has indicated to the people of that province a real desire to involve the federal authority in a multimillion dollar project on the basis of information the federal minister is not prepared to discuss. My question of privilege is simply that either the premier of the province of Nova Scotia or the minister responsible for energy in this parliament is deliberately misleading the people of Atlantic Canada.

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

**Mr. Forrestall:** Now, hold on. There is a section I can quote with respect to the right of a member to be heard in this chamber. I do not very often have recourse to that. Our hopes have been so raised by half information, half truths and partial stories that we can no longer, as residents of Nova Scotia, and New Brunswick and P.E.I., continue to have this question unanswered. What I am asking the minister to do is to have some concern for these high hopes and expectations. If they are justified, let him say so. If they are not, I am asking him to caution our people not to raise their hopes when they cannot be realized. I am asking him to answer the question—

**Mr. Speaker:** Order, please.

**Mr. Forrestall:**—does the premier of Nova Scotia—

**Mr. Speaker:** Order, please. The hon. member for Rocky Mountain.

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### TRANSPORT

#### RAILWAY FREIGHT RATES FOR DELIVERY OF ALBERTA COAL TO CENTRAL CANADA—REQUEST FOR INFORMATION ON STUDY

**Mr. Joe Clark (Rocky Mountain):** Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. To ensure that there are no artificial obstacles to energy supply, has the minister sought from his colleague, the Minister of Transport, a report on the apparent substantial over charging by the railways on the delivery of Alberta coal to central Canadian markets? If he has received that report, can he tell the House what the facts are in that case?

**Mr. Gillespie:** Was that to me?

**Mr. Clark (Rocky Mountain):** Whoever has an answer.