

taxation from the energy industry. Only if that is done can we go along with the Prime Minister's suggestion, made at the energy conference, to increase oil prices. It would be expected that the money resulting from increased prices would go into exploration for more oil, so that we would be relatively certain that after 1982 we would not run out of our known resources. I believe that more oil can be discovered in western Canada and in the Arctic. The Mackenzie River delta shows promise and we must encourage exploration there.

I hope the minister will make a statement before this bill is passed as to the policies he will be announcing under the legislation. Will he continue in this jerky manner of setting a price in July, adjusting it up or down at Christmas, and then again moving the price up or down next July? That kind of action, without rhyme or reason, does not create confidence in the energy industry. I would like to say again what I have said before, that what the minister must do under this bill if it passes—and even if it does not pass, because the industry wants some assurance from him—is to say how high Canadian oil prices will be allowed to go.

He should tell us what the price will be in relation to the world price, and when Canadian prices will be allowed to reach the maximum. If he says that they will be allowed to go up to within 80 per cent of the world price, he should tell us when he will allow them to go that high. If he wants to keep them within 50 per cent of the world price, he should tell us when that formula would be adjusted. The oil companies in Canada would then know what to expect: no matter whether the world price went up or down, our price would follow. I have said that we should accept the world price for tar sands oil. I think the minister should state that for conventional oil we should try to reach as closely as possible the world price, in a series of stages.

The Assistant Deputy Chairman: Shall clause 23 carry?

Clause agreed to.

On clause 24—*Prohibition*.

Mr. Baldwin: On clause 24(c) I should like to ask the minister a question going back to the proposition I have advanced for the minister's consideration about a provincial or federal agency or corporation acquiring crude oil, within the definition of the act, at the wellhead or at the next stage from the wellhead. The minister indicated in his reply to the hon. member for Nanaimo-Cowichan-The Islands that the price which the corporation can require need not be the prescribed price, as I understand it. The crude oil which will be acquired will be, obviously, oil for consumption within the province or outside the province of production.

Can the minister say whether such action by a Crown corporation or government agency in the acquisition of crude oil will be considered an offence under clause 24(c), which provides that no person shall acquire any quality or kind of crude oil for consumption outside its province or production, bearing in mind that the crude oil the agency acquires will include some for consumption outside the province? Can the minister say whether, if the govern-

ment agency pays for the oil a price higher than the prescribed price, it will be liable under this clause?

Mr. Macdonald (Rosedale): If there is a specific contract within a province, whatever the parties may be, as paragraph (c) says, they can acquire any quality or kind of crude oil for consumption outside the province of production. Then the limitation on price would apply. If that provision is not stipulated in the contract of acquisition, then of course the clause does not apply and the prescribed price does not apply.

● (1220)

Mr. Baldwin: Having in mind that petroleum resources are initially the property of the people of the province acting through their government, if the government of a province sees fit to take its share in kind rather than purchasing, and it acquires the property in kind to what it considers its share, worked out through a rental or a royalty agreement, is the agency then free to dispose, within that province, of the resource at a price it sees fit to charge?

Mr. Macdonald (Rosedale): The stress is on the words "within that province", and expressly by the provisions of clause 24 the answer is yes. The royalty oil taken by the province for use within the province—which, as I understand the Alberta law, is the situation—would not be affected by the clause whatsoever. It is at the point where an arrangement is made by the express consent of the parties to transfer ownership in oil for consumption outside the province that the clause applies.

Clause agreed to.

On clause 25—*Evidence required*.

Mr. Baldwin: I wonder if the minister could advise whether this clause is intended to apply to a common carrier. Is it the purpose of the clause that any common carrier of the commodity has an onus cast upon it to obtain documentary evidence as to the price otherwise there is an infraction of the clause.

Mr. Macdonald (Rosedale): Yes, Madam Chairman.

Clause agreed to.

Clauses 26 to 28 inclusive agreed to.

On clause 29—*Idem*.

Mr. Andre: Clause 29(2) gives us on this side of the House concern which is different from that which we have exhibited on other aspects of the bill. This concern arises primarily from our feeling that clause 29(2) may be in violation of the Canadian Bill of Rights. As this clause is worded, it would be in violation of, I believe, section 3 of the Canadian Bill of Rights. Clause 29(2) provides:

Where a corporation is guilty of an offence under this division, any officer, director or agent of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is a party to and guilty of the offence and is liable on conviction to the punishment provided for the offence whether or not the corporation has been prosecuted or convicted.

It is the last phrase in particular which gives us some concern—"whether or not the corporation has been prosecuted or convicted". The immediate question from a