

Clause 21 deals with section 85 of the act relating to the filing of tax returns. This clause simply provides the obligation to include a calculation of taxable incremental oil revenue.

Clause 22 deals with section 87 of the act.

The remainder of the clauses, honourable senators, are not all either technical or consequential, but are corollaries to the earlier clauses.

I would ask honourable senators to consider the principles of this bill, which is an important part of the National Energy Program. Although it is entitled, "An Act to amend the statute law relating to certain taxes," it is quite clear from the remarks I have made that it very definitely deals with the question of energy, with gas exports, and with gas and petroleum tax.

I commend this bill to honourable senators on second reading. I believe it is already the subject of pre-study by the Standing Senate Committee on Banking, Trade and Commerce.

Hon. Duff Roblin (Deputy Leader of the Opposition): I do not believe it is.

Senator Frith: When I asked Senator Hayden, he said that the committee had started its pre-study of the bill, but that some problem had arisen with regard to a quorum in the middle of the meeting. For that reason I thought the matter was before that committee.

In any event, this bill will certainly require study by the committee. If honourable senators agree to second reading of the bill, I will move that it be referred to committee for study.

Hon. G. I. Smith: Would the deputy leader permit a couple of questions to which, I readily admit, I might find the answers by searching through previous legislation or the dictionary? However, it seems to me that it might be more convenient if the honourable gentleman can answer them now, if he would not mind so doing.

The first question relates to a certain expression found first, as far as this bill is concerned, in clause 4 on page 4 dealing with the rate of tax which shall be imposed. I wonder if the honourable gentleman can tell us exactly what a "gigajoule" is.

Senator Frith: I cannot, honourable senators. I apologize for that because I had intended to ask exactly what it meant. I know it is a measure of volume, but I cannot give a comparison with reference to cubic feet or anything of that sort. I will try to bring that information to the chamber tomorrow.

Senator Smith: I may also be able to find the answer to my next question by searching in the law reports. I understand that in the budget speech of the Minister of Finance in November 1981 he said words to the effect that there will be no export tax on natural gas, followed by words to the effect that there will be a tax on natural gas sold to citizens of the United States.

I understand that there was some legal action commenced by or on behalf of the Province of Alberta with reference to this question of a zero rate export tax and tax on gas sold to

[Senator Frith.]

United States customers. Can the deputy leader tell us at what stage that litigation is? I believe the matter eventually went to the Supreme Court of Canada after a unanimous decision by the Supreme Court of Alberta to the effect that it was not constitutional to impose a tax on U.S. customers.

Senator Frith: I recall the case referred to by Senator Smith. I do not have information on this as part of the preparation of my speech on second reading. I will try to have that information for tomorrow so that honourable senators wishing to participate in the debate will have that information before them.

Senator Smith: Thank you.

On motion of Senator Roblin, debate adjourned.

MOTOR VEHICLE FUEL CONSUMPTION STANDARDS BILL

SECOND READING

The Senate resumed from Wednesday, June 9, debate on the motion of Senator Riel for the second reading of Bill C-107, respecting motor vehicle fuel consumption standards.

Hon. Heath Macquarrie: Honourable senators, it is not exactly prime time in this chamber since it is almost time for the beginning of *The Journal* on CBC television. Such competition is hard to beat.

I would begin by thanking and congratulating Senator Riel for his lucid and helpful explanation of this measure; it was very useful to us all.

● (2140)

Senator Bosa used an expression tonight which recalls that I owe a debt of gratitude to my leader, Senator Flynn. Senator Bosa referred to himself as a junior senator. I am much, much junior to Senator Bosa, so I am grateful to Senator Flynn who on the last sitting day mentioned the fact that I and three others in this chamber have been around for a quarter of a century; so that while I am a Johnny-come-lately here, I was somewhere else not far away while those here gathered their wisdom. Of course, there were people, like Senator McIlraith, who were there long ahead of me.

Hon. George J. McIlraith: It was a good place.

Senator Macquarrie: It was a good place. I think this is a little better, but that is just a remark made in the quiet of Tuesday evening in the companionship of my honourable colleagues.

Being aware of the time I will do my best to make a mini-speech. Perhaps there is more to it than that, because in terms of effectiveness I think the bill is a mini-bill.

These are sombre and troubled times. Tom Payne could well say today that these are times that try men's souls. Quite frankly I do not derive any great pleasure from participating in the discussion of legislative measures relating to our faltering economy, because basically I try to be a cheerful man, however hard it may be to be cheerful in such a milieu, and all the more so when one has to zero in on this kind of legislation,