

*Canada Oil and Gas Act*

period since 1976 has exceeded that of any other country in the world, and the annual reports of the World Bank show that. Canada has borrowed more money, not per capita, but more money in total than any other nation in the world to finance the extravagances of this government opposite, and that is a travesty!

Why does Canada have such a good credit rating? Why are we able to go out around the world and borrow all this money? This may be embarrassing to some members opposite, but it is a true fact that the equity against which that money is being borrowed is the natural resources of this country, particularly the resources of western Canada, the north and the offshore areas of our country. To finance the lifestyle to which we have become accustomed, we are selling out the future of our country, our children's future and their children's future, because we are borrowing far beyond our means to pay. But when the piper calls the tune we will pay, brothers and sisters. I tell you, do not ever think otherwise.

● (1540)

There is another clause in this bill which puts important stress on ensuring Canadian content in these drilling and exploration ventures in the frontier and offshore lands. Clause 10(3) gives the minister power to ensure Canadian content. That is a very high-sounding objective. But I ask why is Petro-Canada going to Japan to buy a drilling platform which could have been produced here in Canada? Why is the Minister of Public Works (Mr. Cosgrove) going to Holland to contract with dredging companies to dredge the Miramichi canal, probably Roberts Bank, and to dredge in the high Arctic? Why are we going to Holland, and why are we going to South America and elsewhere to furnish the lavish Petro-Canada office in Calgary? Where is the Canadian content in that, Mr. Speaker? It is high time this government woke up to what is going on in this country, and it is high time that the government woke up to why the people in my part of the country are in such a rage with the absolute incompetence of this government.

I shall now speak about the concept of resource ownership to destroy some of the NDP and socialistic myths as to who owns these resources. The provinces, as a condition of confederation, own those resources under section 92 and section 109 of the British North America Act. That is a matter of legality. It cannot be changed unless we change the constitution. The NDP and the Grits seem to accept these guarantees, but only with great reluctance. I suspect they would like to roll back the clock and revert certain provinces to territorial status. As Mr. Lougheed indicated the other night, that will not happen, if Canada is to remain united.

One wonders why, under section 51 of the government's constitutional resolution, the guarantees under section 91 of the British North America Act, which gave the power to provinces over certain listed areas of jurisdiction in section 92, why is that guarantee to be removed? What is the motive further down the stream? Will we have a national referendum whereby Ontario and Quebec will be faced with a referendum

question empowering the federal government to take control of wellheads or take possession of offshore and high Arctic resources? Will we have that kind of a referendum question in this country? If we do, we will not have a country left after it is over.

The provinces were granted the right to resource ownership because these resources are the building blocks of regional economies. The revenues from those resources from the time of confederation have been used as a tool to build roads, schools, communities, and services, and to create employment opportunities in those great reaches of the country which the Ottawa bureaucrats cannot understand, because they do not know much about what lies beyond the Ottawa city limits. These bureaucrats are 2,000 or 3,000 miles away. There can be a much more efficient use made of the capital accruing from those resources, if those revenues are administered on a local basis. That is at the heart of our confederation. Therefore it is an accepted principle and I hope it remains in perpetuity that the provinces own their resources.

What about the offshore areas of Atlantic and Pacific Canada? Why cannot the coastal provinces and the far-flung regions of Canada develop their regional strengths? Why cannot Newfoundland anticipate having not merely control or a share of the return from those offshore resources but also ownership of them? Why cannot the province of Nova Scotia or British Columbia anticipate ownership of those resources?

Bill C-48 attempts to confirm the federal claim to ownership of offshore resources on the east and west coast. This is wrong. The proceeds from those resources, given the generosity of all Canadians, will in any event be recycled through the Canadian economy and will be shared with all Canadians. But the control cannot be centralized in Ottawa and entrusted into the hands of a political system and ministerial powers of discretion which are wide open to political abuse and discrimination.

This brings me to the question of the Canada lands in the north. I know that my colleague, the hon. member for Western Arctic (Mr. Nickerson), has made that aspect very clear but I want to reiterate what he said yesterday. The resources in the offshore areas and in the Mackenzie Delta in the north in the long run should be expected to become the owned resources of those areas, when they achieve provincial status. The federal government should not merely look at this as a land to be raped, as I have heard members opposite claim, including the Minister of Agriculture (Mr. Whelan) who spoke on this subject a week or two ago. Those resources should be held in trust. The earnings from those resources should be used for the benefit of all Canadians, but through the mechanism of a heritage fund.

This heritage fund should bear interest and be reinvested in development of those resources. But the basic heritage should remain for those people who will populate the north in the years to come, when we come to realize the great future and potential which lies in that part of Canada.

Let us not kid around about it. What we are talking about here is nationalization of the oil and gas industry in those frontier lands and offshore areas of Canada. It was ironic that