

The Budget—Mr. Baldwin

ute to the spirit of generosity of the ten premiers. Included in the issues which the Prime Minister brought out at that time and related to this House were these which he stated as recorded at page 933 of *Hansard*:

It was apparent that if we wished to assure the huge investments necessary for adequate future supplies, somewhat higher domestic prices would be essential; that the oil producing provinces—mainly Alberta and Saskatchewan—must be assured a fair return.

That is something more than just the question of pricing. On the next page of *Hansard* the Prime Minister said, talking about the provinces:

... to assisting them on a national basis to develop unconventional new oil sources such as the Alberta oil sands; and to helping them ensure alternative economic development so that future growth can be sustained and diversified in western Canada.

The Prime Minister is convicted by his own statement to this House on March 28, and what he said today is inaccurate and does not correspond to the facts.

Some hon. Members: Hear, hear!

Mr. Baldwin: With regard to the Leader of the Opposition (Mr. Stanfield) the Prime Minister said:

The price level and the duration of the price at that level are temporary, as he has described them. They comprise a stage in the ongoing process, and I believe that is the proper way to have proceeded.

The Prime Minister is convicted of not having told us the facts, of not having recorded what did happen and not having given this House the views and opinions of the premiers, by these words that appear in *Hansard*. He said there was merely an acceptance of the price agreement and that this was the proper way to proceed. I think the Prime Minister should be somewhat less selective if he is to come into this House and make speeches which he expects the House and the country to accept. I suggest he should adhere much more closely to the truth. As a matter of fact, and I do not know whether it matters, his general characterization of this country is well known.

As I was coming to the House today I was not sure whether I was to speak and a Latin phrase kept running through my mind. I remember it well from the days I studied Latin. I think perhaps it should be put both in Latin and in English and hung high in the office of the Prime Minister, the offices of cabinet ministers and the offices of the national federation of the Liberal Party. I am sure some of my friends of the legal profession will remember the phrase *suppressio veri et suggestio falsi*, or "the suppression of the true and the suggestion of the false". That is the way the right hon. gentleman operates.

I regret that this difficulty has arisen in respect of the meeting of the first ministers on March 27; I regret it very much, because this country in which we live is a difficult one to govern. We have a constitution, albeit a constitution with difficulties, and in order to make it work in any way at all it has become necessary to supplement the written words of the constitution with the actions and agreements of those charged with responsibility—parliament, the legislatures and, particularly, governments. There always will be conflicts, division, arguments and disagreements. There must be trust, which can survive only when agreements made are fully and frankly kept. That has not been the situation here. I shall come to that in a moment.

[Mr. Baldwin.]

● (1740)

I say that on March 27, when the first ten ministers and the right hon. gentleman gathered at that meeting, there was a light hanging over 24 Sussex Street. It was not the star of truth; it was not the cross of understanding; it was the double-cross of deceit and dissimulation. It will be exceedingly difficult for provincial premiers to meet with the Prime Minister hereafter with regard to this and related matters. If I were a provincial premier I would not leave a meeting until I had everything down in black and white under the signature of the Prime Minister, the Minister of Finance (Mr. Turner) and the Minister of Energy, Mines and Resources (Mr. Macdonald), because there was deceit when that meeting was over.

Let there be no doubt about this, because the facts lie within our knowledge. I intend to deal with a few of these facts in the time I have left. The clear purpose and intent of the federal government has now emerged from an overall survey not only of its proposed legislation but of the words and conduct of the Prime Minister, the Minister of Finance and the Minister of Energy, Mines and Resources. Beyond any shadow of doubt they propose, under the guise of very questionable legislative proposals—and I certainly do not intend to take any part of the time allotted to me to deal with constitutional issues—to confiscate property clearly belonging to the provincial governments.

There is no question that a combination of certain of the clauses of the petroleum administration bill and the amendments to the Income Tax Act which are contained in the ways and means motion are calculated to interfere with the right to ownership of natural resources to such an extent that to all intents and purposes the provinces involved at this particular time can be said to have lost effective control. There is a legal definition of theft. It means taking and converting to your own use without any power of right. That is what this government is attempting to do with these legislative proposals. The purpose of this legislation will be to so alter the right of the provinces to deal with their natural resources, not merely those things over which they have jurisdiction but that are their property, that it will be beyond their capacity to deal with them adequately within the scope of the constitution as it was intended they should.

That is what has emerged from this debate up to the present time. This certainly has been confirmed by the words of the Prime Minister tonight. I suggest that when a federal government, in exercising the very sweeping powers of taxation which it has, conducts itself so as to act in a way to do violence to the spirit of the constitution, there must be some avenue open to the citizens of the provinces affected. The Minister of Finance stands up in this House and appears on radio and television programs and says that the provinces are entitled to royalties, but that he, the Minister of Finance, will be the sole judge and jury concerning what will constitute the extent of the royalties, and if in his opinion the royalties go over a certain figure, he will say what the royalties shall be.

These are royalties in respect of resources which were plainly given to the provincial governments. They belong to them. These are rentals on property which belongs to the provincial governments. The Minister of Finance says