

Oil and Petroleum

instructions to those who drafted the bill that it be in Gaelic and then be changed back again to English. I have difficulty understanding the Subclause 2 of clause 10. I believe what is meant is that anyone exporting oil must pay the export charge, but the way it reads is:

A person who exports oil on which a charge is imposed under this Part in circumstances in which there is no exporter who is liable under this Part to pay that charge is liable to pay that charge.

I find that confusing. Would the minister explain that provision for me and give me an example?

Mr. Macdonald (Rosedale): Of course the hon. gentleman would recognize, as I do, that this country is an Ecosocracy, that is to say, a society run by Scotsmen, and the draftsman happens to be a graduate of Edinburgh University. However, the purpose of it being expressed in this rather elyptical way is that the exporter is defined in the commencement of the part as being one who holds an export licence. That is the reason for the rather elyptical wording involved in subclause 2 of Clause 10.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Chairman, I wish to place on the record the fact that in Clause 10 the word exporter appears. The minister explained earlier, in dealing with the definitions, that an exporter was a person and could include Crown corporation, or agency, or province, as well as the federal government. I, like the hon. member for Edmonton West, have the simple understanding of the constitution that one government cannot tax another.

● (2040)

If the governments of the provinces of Alberta or Saskatchewan are exporters under this definition, and if SaskOil, a government agency, is exporting, you have a real cause of clash. I have grave doubt about this, and I wanted to record it at this particular time.

The Chairman: The hon. member asked a question. Is he expecting an answer?

Mr. Hamilton (Qu'Appelle-Moose Mountain): There is no answer required, Mr. Chairman.

The Chairman: Shall Clause 10 carry?

Some hon. Members: Agreed.

Some hon. Members: On division.

Clause 10 agreed to, on division.

On clause 11—*Board to administer.*

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Chairman, during one of the standing committee meetings I expressed my concern about the heavy burden which was being placed on the personnel of the National Energy Board with the administrative responsibilities which had to be added to their ordinary duties this last year and half. At that time the minister stated that they were strengthening the personnel of the board in the hope that they could carry these extra responsibilities. I do not have to point out to the minister that the administration of the bill now being put to the House will continue to add tremendously to the administrative burden of the National

[Mr. MacKay.]

Energy Board, and therefore the difficulties I noticed this last year and half in carrying out the operations of the National Energy Board will be compounded.

This brings me to my major concern. I was a member of the Diefenbaker administration which set up the National Energy Board. We wanted to give Canadians protection in the handling of their energy, protection they had not had before that time.

The first function of the National Energy Board was a judicial one. It was to decide matters which were brought before it pursuant to the National Energy Board statute. I have observed the actions of the board over this last 14 years, and my criticism has been on this question of administration. I think that the time taken in handling routine applications for changes of facilities along a pipeline, for example, has been too long. This has been costly for people applying, costly for the people intervening, and certainly, in the long run, costly to the consumer who has to pay for all this delay. For my part I would like to see a strengthening, a speeding up and streamlining of this judicial function.

Since there are only a few members on this board, the judicial function should take most of their time. In addition to this judicial function they have another extremely important function, and that is to act as a policy suggestion type of institution.

It was recognized back in 1958 and 1959 that Canadians had to look ahead. They had to be informed continually as to the supply situation. These figures should be provided by an independent and capable board. How much natural gas is it proven that we have? What is the best guess of the potential gas supplies to be found? How much proven oil do we have? How much potential can we expect to have, within a time frame, for the safety of the nation?

The failure of the National Energy Board to carry out these advisory functions, which are clearly laid down in the act as their responsibility, is one of the reasons we have been in this situation for the last two years. When the new chairman took over last year I questioned him on behalf of the opposition to see what his position was on this advisory function. He assured the committee that he would do everything he could to restore the operations of the board in the field of advisory function to the government and to the people of Canada.

Knowing something of the heavy load the board has had to bear these last 15 years, knowing a little bit about the tremendous extra administrative responsibilities of the last year and a half, and then to have added to it all these new responsibilities this legislation will entail, I see trouble down the road purely from an administrative standpoint. I think the minister would be well advised to inform his cabinet colleagues that the National Energy Board structure and the divisions of its duties into judicial, advisory and administrative will have to be radically changed. If the minister would give this advice to his colleagues I think they would respond favourably because the board will be the key for several decades to come in the administration and handling of our energy resources.

I would like to give an example of what concerns me. The changes in the movement of oil around the world have been so radical in the last two years that I doubt if there is