

in the world. They have been detrimental to the fishing industry and fishing opportunities that would be presented around our shores given a realistic approach. Under the direction of this administration we have seen this nation close fishing operations which are thriving in other areas. We have seen this nation deprive our fishermen of an opportunity to catch fish in the sea, fish which are marketable in other areas in Canada.

We have seen our health regulations, as devised by the government for unquestionably good purposes, imposed upon our fishermen whether the fish are to be consumed at home or abroad. We have seen other countries approach our shores to try and buy fish from our fishermen, but we have said "No, we will not eat it ourselves and will not sell it to you." This is done even though these other countries have entirely different standards for their food requirements. We have unnecessarily and ill-advisedly deprived our fishermen of income which was rightfully and properly theirs.

In the agricultural industry we have not been particularly realistic in our recognition of the problems as they exist. There is no denying the economic health of the western grain grower, as described by the last speaker from this side of the House. There is no denying that certain aspects of agriculture have been extremely profitable. There is likewise no denying the fact that the crisis in several other facets of the agricultural industry for a long period of time has put agriculture in the position where people can ill afford to have a hard year. In some instances a hard year is just around the corner.

It is rather interesting to note that the government of New Brunswick chose to make an arrangement with a starch factory in that province so it would re-open its doors in case there should be a necessity of processing culls, a second rate product in the province of New Brunswick. This is indicative of a supply which may indicate reduced prices which that industry can ill afford. However, there is no immediate mechanism to put it to work under this government program. If the people concerned do strike a depressed year in income, they may not be in a position to plant another crop. It is an ad hoc approach. It is, I am sorry to say, a continuation of the approach which I heard a former minister of agriculture, the hon. Mr. Olson, put forward, "If the heat is too strong, get out of the kitchen." What he was saying was that if you cannot compete on the international market, don't farm.

There has been no change in this structure, no recognition of the necessity of international negotiation to give our agricultural industry an element of protection which it deserves, both for itself and the service of consumers at a fair price. Ministers have walked blindfolded in the mass of confusion as they formulated agricultural policy. It will not work. Their one policy, which has been the cornerstone of agriculture, has ended up in the position of being investigated by a committee of this House. I submit that that in itself is reflection enough on the attention which is given to agriculture, and on the keystone policies which the government has formulated and put into practice through legislation.

The budget may very well denote a great many difficulties as far as the Atlantic area is concerned. I wonder if in the long range the Atlantic area is unique in the position

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in which it finds itself, particularly with respect to energy and its long-term supply.

● (2130)

It is about time the government of Canada got off the ad hoc boat and began to alert the Canadian people to the exact nature of the long-term energy supply situation. There is now some indication by insinuation, and I suppose it will come out bluntly before too long, that all Canada may eventually have to pay world prices for oil. It is obvious that the first area which would be affected by such an eventuality would be the Atlantic area, and that there is no plan in the wind to take care of the energy requirements of the Atlantic area, particularly of industries in the petro-chemical field.

It is time consideration was given to the question of whether or not there is likely to be sufficient oil to fill the pipeline which it is proposed to build to Montreal. It is time the government gave consideration to the change in income patterns which might take place if the oil resources of Canada should attract industry and jobs to their locations. I do not quarrel with the idea of growth in any part of Canada, but I suggest the government should be aware of the possibility of such a shift in the distribution of wealth, jobs and opportunity and the effect this might ultimately have on the Atlantic area.

The government should consider whether Quebec might be next to be affected. Will Ontario be affected in turn? Our known energy resources certainly lie west of the Great Lakes, not east. Money, jobs, production, cuddle around the energy source to take advantage of lower costs of production. The entire equalization formula as we have known it may well be changed, province by province.

Making this situation worse is the policy of confrontation pursued by the Prime Minister, the Minister of Finance and others in the cabinet with respect to the development of natural resources and the income derived therefrom. There was never a time in our history when there was any dispute as to the ownership of natural resources. They were the property of the provincial government concerned, whether in Quebec, New Brunswick, Alberta, or any other province. Never has a federal government said to the provinces; "We should share in the revenue which comes to you because of your natural resources."

Even in the driest of dry times, the Province of Quebec or the Province of Prince Edward Island has only, by virtue of equalization grants, shared in the benefits which accrued to others by virtue of their bountiful natural resources. But now the Government of Canada is demanding its share and challenging the provinces on this basis.

It seems to be new to the government that anybody should suggest a percentage of profits as a yardstick for royalty derived from natural resources. Such a measure was initiated in the fifties in New Brunswick for a special purpose, and agreed to by the Government of Canada in the hope that it would lead to development in New Brunswick. The government of New Brunswick agreed not to collect a royalty on a cents per pound or any mandatory basis in connection with a natural resource, but to ask for royalties only at such time as the mining companies had developed a surplus under federal tax laws. This goes back