

have learned a lot in a situation like that, some members of the committee who were not present, willingly or otherwise, have missed learning something which might be of use to them in the future?

● (2120)

**Senator Perrault:** That is a rhetorical question. I really have nothing further to add.

**Senator Tremblay:** I understand that you have nothing to add.

## FINANCE

### TAXATION OF LIFE INSURANCE INDUSTRY

**Hon. Peter Bosa:** Honourable senators, I have a question for the Leader of the Government in the Senate. Representatives of the Department of Finance have been meeting with the representatives of life insurance companies with a view to finding a common ground towards taxation of that industry. I wonder whether the Leader of the Government has any information concerning these negotiations. If so, could he inform the Senate to that effect?

**Hon. Raymond J. Perrault (Leader of the Government):** Honourable senators, the question will be taken as notice. I have no further information on that point as of this evening.

## ROYAL CANADIAN MOUNTED POLICE

### REPORT OF COMMISSION OF INQUIRY

**Hon. Nathan Nurgitz:** Honourable senators, I have a brief question for the Leader of the Government in the Senate.

Professor Mandel of the Osgoode Hall Law School recently published an article which was highly critical of the motives behind what was considered by the professor to be an unprecedented naming of two persons to do what I suppose could be termed a critique of the report of the McDonald Commission of Inquiry, which was released last August. Would the Leader of the Government indicate the basis upon which the government chose Wishart Spence and Robert Wright to offer opinions on the report of the McDonald Commission—opinions which, I understand, the government released within days of the release of the McDonald report itself? Obviously, in the mind of Professor Mandel—and certainly in my mind, as I read it—those opinions undermined the findings of the McDonald Commission.

**Hon. Raymond J. Perrault (Leader of the Government):** Honourable senators, the question will be taken as notice.

**Senator Nurgitz:** Honourable senators, I have a brief supplementary question. While I am aware of the position held by Mr. Justice Wishart Spence, I wonder whether the Leader of the Government would report to us on the expertise of the other gentleman. Could he also tell us whether the government is proposing to engage another, or others, to check the findings of the Spence and Wright report, if those are not satisfactory.

**Senator Perrault:** Honourable senators, that further information will be sought.

## ENERGY

### EAST COAST—OWNERSHIP OF OFFSHORE RESOURCES

**Hon. G. I. Smith:** Honourable senators, I should like to direct a question to the Minister of State for Economic and Regional Development, who, as I understand it, has among his many duties a certain responsibility in respect of energy. Has the government decided whether, in its view, a certain proportion of properties being explored off the east coast of Canada—more particularly, possible supplies of gas and oil that may be discovered there—will have to be returned to the Government of Canada?

**Hon. H. A. Olson (Minister of State for Economic Development):** Honourable senators, I am not sure that I understand the question. I wonder if the honourable senator would repeat it?

**Senator Smith:** I shall be happy to do so. I am not sure that I can repeat it exactly as I put it, but perhaps I will repeat it in another form that will be easier to follow. That might require a sentence of explanation.

The honourable gentleman will know that off the east coast of Canada there is a good deal of activity involving drilling and exploring in other ways for supplies of gas and oil under the sea. I am asking him whether the government has adopted a policy in respect of leases acquired by the companies doing the exploration? Are certain of those leases, or a proportion of them, to be returned to the government upon certain conditions?

**Senator Olson:** Honourable senators, I do understand the question now. I will check into that. As my honourable friend is aware, an agreement has been signed with the Province of Nova Scotia. There is no agreement with regard to some of the other offshore resources at this point in time. Therefore, all of the rules and regulations are not clear.

**Senator Smith:** I thank my honourable friend for referring to the agreement between Canada and Nova Scotia, because that was going to be the subject of my supplementary question. If there is a general policy of the Government of Canada such as that which I just mentioned, how does it fit into the terms of the agreement between Canada and Nova Scotia with regard to offshore and gas resources?

**Senator Olson:** I will take that part of the question as notice and will try to correlate it with the earlier question.

### OIL PRICING—GOVERNMENT POLICY

**Hon. H. A. Olson (Minister of State for Economic Development):** Honourable senators, I have a delayed answer in response to a question asked by Senator Roblin on March 3 which concerns the federal government's New Oil Reference Price program. I can inform the honourable senator that the New Oil Reference Price will apply to conventional new oil,