

*Oil and Petroleum*

**Mr. Macdonald (Rosedale):** Mr. Speaker, perhaps I might say that this clause is adopted from the Excise Tax Act and the provision already in that act which gives authority to the Tariff Board in respect of questions of fact, or of law and fact. If, of course, as indicated in the statute, a question of law should be raised as a result of these inquiries, access would be available from there to the Federal Court.

**Mr. Baldwin:** While I do not have any great objection, it is a matter of curiosity to me why the Tariff Board, particularly, was designated. I understand the practice, but in the opinion of the minister does the Tariff Board have the necessary expertise and specialized knowledge, and does he think it would be the closest approach to the type of tribunal that would be adequately equipped to handle this particular issue?

**Mr. Macdonald (Rosedale):** It is certainly the feeling that the Tariff Board is the body which is best equipped in the economic area with developed procedures and expertise in dealing with this type of problem. It would appear to be the most suitable tribunal to carry out this particular function of appeal.

Clause agreed to.

On clause 18—*Regulations*.

**Mr. Macdonald (Rosedale):** Mr. Chairman, it would be desirable that I point out that there is a technical amendment to clause 18 to change the definition of "oil" so as to indicate that oil products which are normally derived from crude oil are also derived from natural gasoline and condensates which generally are produced in conjunction with natural gas and which are used in some Canadian refineries as feedstock. I seem momentarily to be without a colleague to move an amendment. Perhaps the Solicitor General would move into his place; he has a particular interest in this amendment to clause 18. The amendment is as follows:

That Bill C-32 be amended by striking out paragraph (a) of clause 18 on pages 8 and 9 thereof and by substituting therefor the following:

"(a) designate any hydrocarbon or mixture of hydrocarbons resulting from the processing or refining of hydrocarbons described in paragraph (a) or (b) of the definition 'oil' in section 2 as an oil products; and"

I see the Solicitor General rising to present this amendment to the House.

**Mr. Baldwin:** Would the minister say whether it applies to skating rinks?

**Mr. Allmand:** Mr. Chairman, I support everything the minister does, and I would move the amendment which he has read.

**The Deputy Chairman:** Shall the amendment carry?

**Mr. Andre:** Mr. Chairman, there are a couple of questions I should like to ask the minister in this regard. First, I wonder whether the minister could enlighten the committee concerning the substantive differences between clause 18(a) as originally written in the bill compared to the amendment proposed by the Solicitor General.

**Mr. Macdonald (Rosedale):** The substantial difference is that the amendment as originally proposed would

include oil products derived from crude oil, which by narrow definition would not also mean derived from natural gasoline. This is a redrafting, shall we say, to make certain that it covers products derived from natural gas and condensates as well as from crude oil.

**Mr. Andre:** Is the minister, then, indicating that products such as ammonia, plastics, paints, food additives, protein products—if we should develop that process in Canada—and the whole range of products which start from hydrocarbons in one form or another, whether oil or gas, would in fact be subject to the control of the minister?

**Mr. Macdonald (Rosedale):** Mr. Chairman, the products are defined in clause 6(1) and 6(3).

● (1520)

**Mr. Andre:** In reading those clauses which define products, and the amendment to clause 18(a), I am left with the impression that the minister could exercise price controls on the full range of products starting from simple hydrocarbons. Certainly, with the exception of potash and natural fertilizer all our other fertilizer production in Canada starts from natural gas, all our plastics, paints and clothes; and I submit that you could extend that definition to nylon stockings.

**Mr. Woolliams:** Pantyhose.

**Mr. Andre:** I submit that if this bill does grant authority to the government to control the price of pantyhose, then it goes too far.

**Mr. Macdonald (Rosedale):** I would point out to the hon. member that clause 6(1) refers to "gasoline type fuels" and clause 6(3) refers to "middle distillate and heavy fuel oil." Trying to fit pantyhose under that would be difficult.

**The Chairman:** Shall the amendment carry?

**Some hon. Members:** Agreed.

Amendment (Mr. Allmand) agreed to.

**Mr. Baldwin:** Before clause 18 as amended carries, may I point out that I do not think the minister's amendment deals with paragraph (b) as it was originally.

**Mr. Macdonald (Rosedale):** That is correct.

**Mr. Baldwin:** Clause 18(b) reads:

(b) provide for such other matters or things as may be necessary to carry out the provisions of this part.

I know that we have had these kinds of all-embracing regulatory sections which vest in the governor in council powers to do almost everything, and I must say, as a member of the statutory instruments committee, we have had occasion to examine some of them and have found that it is not a very desirable practice. I know there are certain circumstances when it might be necessary. However, perhaps the minister could give his attention to this subclause which seems to me to extend to the governor in council legislative powers which I believe go far beyond the powers which should be granted to the government.