National Energy Board Act (No. 3)

Columbia might want to say, "That is not what the market says," but the official will say, "That is too bad. We have the power. We are deciding the price." They could go to the producers of shut-in heavy oil in Saskatchewan and say, "We are going to allow you to export that heavy oil but only at this price." But the producers, who know more about the market and who have forgotten more about marketing than those officials will ever learn, will say, "But that is not the market price." But this bill will state, "Give the power to those officials to do whatever they want".

• (1750)

No responsible parliamentarian could vote for that delegation of authority to those people, when there is a clear admission that what is involved is politics. The minister said that it was a political question to keep Premier Bennett, Premier Lougheed and now Premier-elect Devine in place. This is what this absurd provision is all about.

What is even worse is that on page 16 the same officials are allowed to allocate gas and oil in the country. They shall decide who shall get it. The minister said that this would be done in the event of shortages, but the bill does not say anything about shortages. The bill indicates that the governor in council shall allocate gas and oil. What happens when a province has a dispute with the federal government about taxes, as occurred recently? We will be asked to put authority in the hands of the minister. We will be asked to put a club in his hands which says, "Look, folks, you will have to see it my way or else under the authority granted by this provision we will allocate gas and oil in the way which will do your province a great deal of damage." This provision will affect consumers. utilities, companies, provinces, regions and cities. The city of Medicine Hat is currently suing the government over the natural gas and gas liquids tax. Under this provision the minister could say, "Look, Medicine Hat, stop your suit or we will not allocate gas to you. We now have the power to allocate who shall use gas and oil in the country."

We are being asked to put this power in the hands of the people who introduced the National Energy Program which brought the country's economy to its knees. No self-respecting Member of Parliament should be asked to vote for the provision, especially no self-respecting Member of Parliament who is concerned about the country.

Finally, Clause 30 on page 19 reads in part:

The governor in council may by regulation exempt any oil or gas or any kind, quality or class thereof . . . from the operation . . . of this act.

This means that the National Energy Board may in fact have all its authority taken away if it does not behave itself. Then we will have a body which purports to be a semi-judicial body. It will have that visage or claim to be that, but in fact it will have no such power because of this provision. It will mean a total politicization of the National Energy Board—it will pretend to be one thing for the benefit of the public but will be nothing more than an instrument of government.

Even worse is Section 89(1) on page 19 which reads:

The governor in council may make regulations for carrying the purposes and provisions of this act into effect and may ... designate any product resulting from the processing or refining of oil or coal as an oil product; and ... any product resulting from the processing of gas as a gas product.

I have just described any product resulting from the processing of oil or gas. I have described 90 per cent of the products in any department store. I think my shirt is cotton, but if it were polyester I have described it. I have described rubber heels of shoes, automobile tires, nylons, plastic combs, everything based on oil and natural gas. A huge array of products can be designated by the governor in council as falling within the ambit of the act.

I should like to refer to what was said by the Canadian Chemical Producers' Association. They are negotiating with the Japanese because they want to sell some petrochemicals to them. It will be of benefit to the Canadian economy; it will generate jobs and foreign exchange. In other words, it is very beneficial to Canada. The Japanese are not fools. They have read this provision. They could say, "How can we sign a contract with you for polyethylene, polystyrene, polypropylene and polyvinyl chloride when it says in the act that the same people who brought in the national energy policy with its 25 per cent confiscation on behalf of Petro-Canada can, without parliamentary approval or without asking anyone, put those products under the direct control of the act? We could find our supplies cut off." This is what the potential purchasers in Japan are saying to the Canadian Chemical Producers' Association. It would be nice to give them some comfort, but how can we, given the track record?

The minister talked a long time about electricity. The reality is that the bill neuters the National Energy Board. This bill puts in the hands of officials the power to set price and to allocate quantities for oil and gas in a way which I believe may well be unconstitutional and will certainly lead to more friction between producing and consuming provinces. It will not contribute to tranquil relationships in the energy sector. Although the minister talked about electricity, he did not include it in the items he would take under the power of the federal government. Why was electricity not included under these powers? Many people who are WCC members know exactly why. This is the sad thing about what is happening here. This is why any self-respecting Canadian who is concerned about what is happening and knows a little about the energy situation and the responsibilities of the National Energy Board has to vote against the bill. This is why we put forth the amendment.

Some hon. Members: Question.

The Acting Speaker (Mr. Blaker): Order, please. Out of courtesy to the Chair, some hon. members have called for the question to be put. If it is the will of the House that the question now be put, it will be put on the motion for the sixmonth hoist of the hon. member for Joliette (Mr. La Salle), seconded by the hon. member for Hamilton Mountain (Mr. Deans). I see the parliamentary secretary is seeking the floor,