

Oil and Petroleum

as it would use under Part IV of the National Energy Board Act. The effect of this is to ensure that gas pipeline companies do not find themselves operating under rules which might be mutually inconsistent. All of the amendments were discussed in committee of the other place, and evidence was given, in answer to questioning, by officers of the Department of Energy, Mines and Resources, and by senior officials of TransCanada Pipe Lines.

The amendments to which I have just referred in some detail are, it is self-evident, highly technical in nature but, as I have said, they have been closely examined by technical experts before being submitted formally to the committee of the other place. With this explanation, I hope that the House will give its concurrence to the amendments to the bill which were made in the other place.

Mr. James Gillies (Don Valley): Mr. Speaker, I wish to thank the parliamentary secretary who has just spoken on the motion for concurrence for giving us all the information available to him. We concur in the amendments because they are, as he said, mostly technical.

I take this opportunity to say that we still think, and our agreement to concur in the amendments does not alter our position, that there are many better ways of resolving the difficulties of pricing in this country than those set out in this piece of legislation which may involve us in conflict of principle and constitutional difficulties. We, in my party, think that this matter could have been handled much more effectively if it had been done differently. We make no apology for the time and the energy that have been put into trying to improve the legislation. We are only sorry it could not have been improved more.

● (1610)

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I will not delay the House very long. I just want to add to the remarks of my colleague, the hon. member for Don Valley (Mr. Gillies). I strongly agree with his views that we were acting most responsibly. Any extended time we took to analyse this bill was because of its possible repercussions.

It strikes me as passing strange and, indeed, a bit of an irony that after being accused by members opposite on a number of occasions, and having their minions placed in the press accusing the opposition of being irresponsible in delaying the passage of legislation through the House, the Petroleum Administration Act is proof positive that an overhaul of the rules is needed.

As a result of these nine amendments to the bill we may be open to the charge of irresponsibility, not irresponsibility for excessively close examination of the bill but for not examining it further. This demonstrates that far from taking too long to examine this bill at second reading in committee stage, we should have taken a longer time. We should have demanded of the minister that he assure us of the legality of each clause. I think it is a bit of an irony.

If there is sloppiness and tardiness, and if legislation that passes through this House is imperfect, I hope that those who are so quick to blame the opposition for everything that is wrong in the country might re-examine the procedures used by the government.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the members of the New Democratic Party concur in the amendments which have been proposed by the other place.

Mr. Gillies: Even Stanley?

Mr. Douglas (Nanaimo-Cowichan-The Islands): These are mainly technical amendments which clear up a number of anomalies. They will help to improve the legislation.

I cannot agree with those who think there could have been some other way to deal with the problem which confronted the country. The New Democratic Party has taken the position from the beginning that unless some agreement could be reached with reference to pricing of oil and gas, the federal government must have the authority to safeguard the interests of the country and to do some economic planning with regard to the price of the very important energy resources dealt with in this legislation. That is not to say we are fully in accord with the treatment of the producing provinces.

We have been most critical, and continue to be critical of the fact that after the producing provinces had agreed to take lower prices, they were confronted with provisions in the budgets of May 6 and November 18 of last year which took away from the provinces some of the benefits they were to receive for agreeing to accept a lower price for their products. I think that has created a good deal of bad feeling.

I agree with the hon. member for Calgary Centre (Mr. Andre) that the opposition parties were justified in taking adequate time to examine this legislation. While we in this party supported this legislation, we have not supported the way in which the government has treated the producing provinces. However, that is not covered by this bill. It does not come under the purview of the Minister of Energy, Mines and Resources (Mr. Macdonald). It is the responsibility of the Minister of Finance (Mr. Turner) and the government.

When I consider, for example, that provinces agreed to put extra revenue into a fund for the exploration of oil and gas on the understanding that this would not be taken into consideration when determining the amount they would receive from the tax-sharing program, and then found to their consternation that one third of the revenue was going to be taken into consideration when determining the payments under the tax-sharing program, I think that was a betrayal of a commitment. The provinces found to their consternation, and the oil and gas industry found to their dismay that the moneys paid to a provincial government by way of royalties were not to be allowed as deductible when paying their income tax. This has taken away much of the quid pro quo which the provinces thought they were getting when they agreed to a domestic price which was considerably lower than the international price.

There is not much value in going over this again. However, I think it is worthwhile for the government to remember that this legislation, which gives it very considerable power, ought to be used with discretion, keeping in mind that the provinces have co-operated, and co-operated very well. I hope when the government is preparing its budget for June 23, it will keep that in mind, and try to