

Canada Oil and Gas Act

amount would be shared with the people of southern Canada. That seems like an equitable solution for the time being.

I hope the minister will take note of what I am saying and try to negotiate such an arrangement with the two territories.

Mr. Scott (Hamilton-Wentworth): He is not listening.

Mr. Nickerson: He does not appear to be particularly interested. He just does not seem to be listening. He is very expert at shutting his ears when such matters are being presented.

Mr. Simmons: He can read it in *Hansard*; there is no problem.

Mr. Scott (Hamilton-Wentworth): He does not listen to the provinces; he does not listen to the territories.

An hon. Member: That is true.

● (2150)

Mr. Nickerson: So that is what we have, Mr. Speaker, this Canada lands concept. It is an attempt by the government, which by and large represents the interests of central Canada, to hang on to its regional privilege. That is what it amounts to.

The natural development of Canada will take place anyway. You cannot hold back the dawn, it will happen one way or another. We see the economic centre of gravity of this country moving westward. Nothing is wrong with that type of thing. It does not mean to say that the people in Ontario and Quebec will really miss out. The hon. member for Etobicoke Centre (Mr. Wilson), who spoke earlier, said that the central provinces of Canada could take advantage of this shift. It could be to everyone's advantage in this country. But the Canada lands concept is designed to preserve forever the pre-eminence of the central areas. What it seeks to do is create in the offshore areas of New Brunswick, Newfoundland and the other provinces I mentioned, and in the territories, a hinterland which can then be drained of its resources so that the people in southern Ontario and Quebec do not have to face economic reality.

In saying this, Mr. Speaker, I am being a little unfair to all those good Canadians who live in Trois-Rivières, Quebec City, Toronto, Hamilton and Burlington. I do not really believe that is the way those people think. It is the way the Liberal government thinks they think. That is why they are pursuing this type of inane policy.

I have dealt with clause one of the bill, the short title, and I will have to go through the remaining 85 sections of the bill a little more expeditiously.

Mr. Lalonde: With more sense would be fine, but take your time.

Mr. Nickerson: We intend to do that. We intend to give you a good going over in the next few minutes.

Mr. Speaker, I would like to examine the objectives which the government says it wants to achieve through this legisla-

tion. These are generally agreed objectives between the three parties represented here. First, what we want to do is attain energy self-sufficiency in Canada. In the policies pursued by this side of the House when we were in office, not that many months ago, this was quite evident. Second, we want Canadian participation in the energy industries. We want Canadians to be the investors and to receive the dividends. We want Canadians to be active in the financing of oil and gas exploration, production and marketing. We want to utilize the manufacturing industries of Ontario and Quebec so that their expertise can be brought to bear on energy questions. We want to increase and maximize Canadian ownership within the oil and gas industry. There is already significant Canadian ownership of the exploration end.

The real problems are in the refinery part of the industry. There are some differences of opinion. We on this side of the House would like to see that accomplished privately by Canadian individuals, whereas on the other side of the House they are more inclined to think in terms of public ownership. What we want to achieve by the type of legislation with which we have been presented today is to bring on stream as quickly as possible the frontier and offshore resources of Canada so that we can achieve the goal of energy self-sufficiency.

Given those objectives what type of policy would any sane person—and there are a few on this side of the House at any rate—put into effect? What type of policy would encourage Canadians and Canadian corporations to undertake the risks involved in the job which is before us? First of all, you must give investors secure tenure of their land holdings. If they receive a lease or some form of permit or title to some oil or gas lands from a government they must know that it is secure. That is the first thing they want. So we examine the oil and gas legislation to see where that security is contained therein. We see that the best deal they can get is a five-year exploration agreement. When it comes to production, the best deal they can get is a ten-year lease. And when you read through the rules and regulations you see that there is no end to the discretion which is allowed the minister. He can run them off practically any time he wants to. So they do not have security of tenure in this bill.

Second, you must give the investor a set of known rules and regulations, guidelines by which he can operate. In this way he can pick up the rules and read them in advance to see what he will have to abide by. Again, we examine this bill to see whether that concept is contained in it. We find that, to the contrary, everything is arbitrary. It is left up in the air. The government, the minister, the bureaucracy can at any point in time change the ground rules, so no one really knows what is going on. You cannot invest with confidence. When you want to get into the business you must negotiate what they call an exploration agreement. There are no fixed rules. You do not know what they will be. For each project a separate agreement will be negotiated.

As I have said before, when you examine the act there is nothing in it but ministerial discretion and bureaucratic discretion. Authority is delegated to the minister's staff. They can