

THE SENATE

Thursday, March 19, 1981

The Senate met at 2 p.m., the Speaker in the Chair.
Prayers.

DOCUMENTS TABLED

Hon. Raymond J. Perrault (Leader of the Government) tabled:

Report of the National Battlefields Commission together with the Report of the Auditor General, for the fiscal year ended March 31, 1980, pursuant to section 12 of *An Act respecting the National Battlefields at Quebec*, Chapter 57, Statutes of Canada, 1907-08, and sections 75(3) and 77(3) of the *Financial Administration Act*, Chapter F-10, R.S.C., 1970.

Hon. H. A. Olson (Minister of State for Economic Development) tabled:

Documents respecting Northeast B.C. coal development, in both official languages.

He said: Honourable senators, perhaps I should say that my colleague, the Minister of Energy, Mines and Resources, will be tabling a similar package of documents in the other place today.

BORROWING AUTHORITY

REPORT OF NATIONAL FINANCE COMMITTEE TABLED

Hon. Douglas D. Everett, Chairman of the Standing Senate Committee on National Finance, tabled the following report:

The Standing Senate Committee on National Finance, to which was referred the subject matter of Bill C-59, "An Act to provide supplementary borrowing authority", has in obedience to the order of reference of Thursday, March 12, 1981, examined the said subject matter and reports that no suggested changes be made to the Bill at this time.

Respectfully submitted,

D. D. Everett,
Chairman

[Translation]

ADJOURNMENT

Hon. Royce Frith (Deputy Leader of the Government): Honourable senators, I move, with leave of the Senate and notwithstanding rule 45(1)(g), that when the Senate adjourns today, it do stand adjourned until Tuesday, March 24, 1981, at 8 o'clock in the evening.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Frith: Honourable senators, no explanation is necessary. I have already given the reasons for adjourning to next Tuesday evening at 8 o'clock, but if there are questions, I shall be pleased to answer them.

Senator Flynn: The explanations which were given yesterday are quite sufficient.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

[English]

HEALTH, WELFARE AND SCIENCE

COMMITTEE AUTHORIZED TO EXAMINE ANNUAL REPORT OF DEPARTMENT OF VETERANS AFFAIRS

Hon. Jack Marshall, with leave of the Senate and notwithstanding rule 45(1)(e), moved:

That the Standing Senate Committee on Health, Welfare and Science be authorized to examine and consider the Annual Report of the Department of Veterans Affairs for the fiscal year ended 31st March, 1980, tabled in the Senate on 17th March, 1981.

Motion agreed to.

QUESTION PERIOD

[Translation]

THE CONSTITUTION

PETITION FROM SOLIDARITÉ QUÉBEC

Hon. Jacques Flynn (Leader of the Opposition): Honourable senators, I have a question for the government leader. I have received from the Premier of Quebec a letter in which he refers to a petition from Solidarité Québec, which was signed by 715,180 people who ask that the Constitution of Canada not be patriated or amended without the agreement of the Province of Quebec, and that their signatures be referred to the appropriate Parliament.

In this letter, the Premier of Quebec says he also contacted the Prime Minister of Canada, the leader of the official opposition and the NDP leader. I am wondering whether the

Leader of the Government could tell us whether the Prime Minister of Canada did receive notice of this petition or a copy of it, and whether he intends to table it in the House of Commons and before the Parliament of Canada?

• (1410)

[English]

Hon. Raymond J. Perrault (Leader of the Government): Honourable senators, I have not heard from the office of the Right Honourable the Prime Minister with respect to the petition or whether it has been received. However, an inquiry will be made. Perhaps it has been delayed in the mail.

Senator Flynn: Never say that!

The Hon. the Speaker: I should probably inform the Senate that I did receive the same letter.

ENERGY

OIL AND GAS—OFFSHORE DRILLING—SUBMISSION OF CANADIAN SHIPBUILDING AND SHIP REPAIRING ASSOCIATION re BILL C-48

Hon. Jack Marshall: Honourable senators, I should like to ask a question of the Minister of State for Economic Development with regard to a submission from the Canadian Shipbuilding and Ship Repairing Association having to do with Bill C-48. One of their recommendations has to do with the special privilege of 10 per cent customs duties on offshore drilling ships and support vessels and the re-introduction of the normal 25 per cent duty. I think the point they are trying to make is that this will deny a build-up of the industrial capability of Canada in the Canadian shipbuilding industry I am wondering if the minister is aware of this. If so, could he comment on any action that could be taken to help the shipbuilding industry?

Hon. H. A. Olson (Minister of State for Economic Development): Honourable senators, I am aware of it, but in order to give a full reply I should like to take the question as notice and refer it to the ministers who are more directly involved.

OIL AND GAS INDUSTRY—GOVERNMENT POLICY—REPRESENTATIONS OF PANARCTIC OILS LTD.

Hon. Robert Muir: Honourable senators, I, too, would like to direct a question to the Minister of State for Economic Development. Yesterday the president of Panarctic, a firm half owned by the Government of Canada, joined the chorus of those condemning Bill C-48, particularly its so-called "Canadianization" aspects. Will the Minister of State for Economic Development heed these representations and encourage his cabinet colleagues to alter what seems to be a counter-productive policy?

Hon. H. A. Olson (Minister of State for Economic Development): Honourable senators, if those comments are made directly—and perhaps they will be—to members of the government, we will regard them as representations, along with a lot of other representations that have been made on the same subject.

Senator Muir: I thank the minister for his initial reply. As a supplementary, I would like to say to him that the minister, upon introducing the Canada Lands Act, extolled its potential ability to Canadianize the industry. However, Panarctic's president has indicated that for a company like his, which is already 100 per cent Canadian owned and a heavy investor in frontier exploration, the bill will only reduce the attractiveness of private participation in the industry.

Will the minister, in view of his earlier comments, at least commit himself to seeking a change in the legislation insofar as it relates to companies already predominantly Canadian owned, and not wait until he receives further representations, but take the onus upon himself and investigate any possible damage which could result, and make the necessary changes?

Senator Olson: Honourable senators, I am sure that Senator Muir does not expect me to state positively that I will take a position different from that of the Government of Canada, but that is what he is really asking me to do. I say to him, categorically, that it is both an unfair question and one to which no answer is deserved, if I may put it that way. I reaffirm what I said a moment ago, that this representation from the president of Panarctic will be taken into account.

• (1415)

I would also remind the honourable senator that it is a matter of argument, and not of seeking information, as to whether some of this action is or is not helpful. For example, there are some areas where known commercial deposits of gas and oil exist. Some estimates indicate that finding it would account for around 20 per cent, or less, of the costs involved in bringing it to market. As a partner, Petro-Canada will, obviously, be required to pay its share of those other costs, involving perhaps five times as much as the exploration and development costs on site.

Senator Muir: Honourable senators, far be it from me to direct an unfair question to the honourable gentleman. I would never do anything like that. I truly did not expect him to make a statement opposed to what the government has already decided.

In his position as Minister of State for Economic Development, I am sure that he is interested enough in this country, and in the development of this country, to take into consideration what Mr. Charles Hetherington—whom I have never met—the president of Panarctic, and others who are experts in the field have said. Would he not agree that he and the government might be able to learn something from those who are involved in the business?

Senator Olson: Honourable senators, I have already given an undertaking to take that into consideration. I do not really think I can say more now which would add to the explicit answer I gave a few minutes ago.

CANADA-UNITED STATES RELATIONS

EAST COAST FISHERIES AND MARITIME BOUNDARY TREATIES

Hon. Raymond J. Perrault (Leader of the Government): Honourable senators, I have a statement on the subject of the