

First it was so, then it was not so, and then a statement was issued on Saturday which read as follows:

In a statement issued on Saturday, Mr. Macdonald described as "entirely erroneous" a *Globe and Mail* report that the cabinet had rejected his proposal to buy either Shell Canada Limited or Gulf Oil Canada Limited. He said no such proposal was placed before cabinet.

There is a different story behind that, I believe.

Then, we have the following item: "Secret cabinet order waters down plans for energy policy". That was the leaked cabinet order by which we learned the Minister of Energy, Mines and Resources ascertained that his proposals had been watered down by the federal cabinet and that what he had proposed was not going to be brought about at all.

Then, he was over in Venezuela, and here I have the March 9, 1974 issue of the *Winnipeg Free Press* in which the following item appears: "Is Ottawa about to copy the Corporacion Venezolana de Petroleo . . ." Perhaps the minister will correct my Spanish. I hope he is better in Spanish than he is on petroleum. It goes on to read:

Energy Minister Donald S. Macdonald, here last October on a whirlwind visit, says definitely no.

They are not going to have a petroleum corporation, he said.

The cabinet discussed the idea before the energy crisis took hold, says our energy minister, and before the Canadian government started to worry about supplies of Venezuelan crude oil going to eastern Canada.

Then we had the great Kafuffle. When the minister comes to the committee, we will let him give evidence. In the light of his record, we will ask him to take an oath before he gives evidence so we will have him tied to the oath in any event.

**Mr. Macdonald (Rosedale):** More falsehoods from Baldwin.

**Mr. Baldwin:** I do not know what newspaper the following item is from. I believe it is from the *Gazette*, and it reads: "Macdonald may be exaggerating to get government projects across".

**Mr. Macdonald (Rosedale):** You wrote it out yourself.

**Mr. Baldwin:** This must be more than his usual type of exaggeration. The item reads:

Energy Minister Donald Macdonald's sudden focus on Arab threats to eastern Canada's oil supplies may constitute an exaggeration aimed at promoting some of the federal government's favourite petroleum plans.

Perhaps, we should call him the Minister of Energy, Mines, Resources and Exaggeration. The article goes on to read:

The speech, filled with references to "potential crisis" and "possible dangers", had the effect of suggesting two federal government proposals—the removal of the Borden Energy line and formation of a national petroleum corporation may be necessary to avert threats to and preserve Canadian oil imports.

● (1550)

The minister has been the busiest little talking minister except for the Minister of Agriculture (Mr. Whelan).

Then, we had the great situation about a crisis in eastern Canada, about the short fall in oil coming into the country. The minister pounced on the *force majeure* clause.

#### *Petroleum Administration Act*

He blamed the multinational corporations, and said they were using *force majeure*. Mr. Speaker, what was it we were looking at then—a 200,000 barrels a day short fall or a 300,000 barrels a day short fall? Of course the minister had not taken the Shaheen refinery into consideration. He was simply interested in generating a head of steam, in making exaggerations and providing distortions so that he could get away with his legislation. That is what he was saying on November 23, 1973, but suddenly he was faced with a telegram sent by J. A. Armstrong, President of Imperial Oil, as follows:

We are disturbed by the implications of your statements in the House of Commons on *force majeure* as reported in the news media.

Imperial has had no cut-back in its deliveries of crude oil from Venezuelan suppliers nor have we been advised of any cut-back.

*Force majeure* is a standard clause in supply contracts within Canada and abroad.

In the case of our supply contracts for Venezuelan crude oil we are not aware of any occurrences which would justify a cut-back or re-allocation of our supplies.

Of course, Mr. Armstrong was a witness who appeared before the committee. He praised the bill which the government introduced. He was the government's white haired boy because he and the government got on well at that time—I may say he and some other members—with regard to the deletion of the combines investigation clauses which were then an issue. But then Mr. Armstrong completely cut the feet from under the minister with regard to his statements on *force majeure*.

I have dozens and dozens of these little billet-doux, Mr. Speaker, but I am not going to take up the time of the House reading them. The fact remains that we in this party on this side of the House are justified, by the track record of the government, in saying that the government is not entitled to be trusted. It must make out a very strong case in order to receive the powers which it is seeking. Its track record of indiscretion, distortion and deception is so substantial that we have come to the stage where we cannot take for granted any statements made by this minister with regard to petroleum problems.

All that will enter into our calculations when we consider what our actions will be with regard to this bill. Now, having disposed of the minister—

**Some hon. Members:** Oh, oh!

**Mr. Baldwin:** —I would now like to deal with some aspects of the legislation. Members on the other side may applaud, but I consider those factors to be a vital and integral part of this legislation. Whenever I look at this legislation and see that the minister will have the power to do this and the discretion to do that, and I see the minister in effect sitting in the centre of the bill, with his record for false dealing, his incapacity and inability to deal with what happened, the deceptions he has practiced, albeit quite involuntary, more from ignorance than anything else, I say that we cannot separate this minister from this bill in our approach to it, nor do we intend to do so.

**An hon. Member:** He should resign.