

Supply

● (1140)

[English]

It is clear that this Government is not responsible for these business losses. I remind the House that it was the discriminatory policy of Marc Lalonde and the promotion of Canadianization through billions of dollars in PIP grants that led Dome to embark upon an overly ambitious acquisitions strategy.

Dome is not a public company. While the company has indeed benefited from various tax and subsidy programs over the years, these have been policies of general application. The fact that it has received such public largesse, however, has led some to conclude that the Government has a special responsibility to protect creditors. My colleagues and I are determined that such will not be the case. We are not in favour of and will not support a bail-out disguised as a sale.

Our position has received public and media support. On May 12 *The Toronto Sun* editorial said:

The notion that Dome should be kept Canadian by accepting a poorer offer is patently absurd. If Amoco or someone else can somehow turn Dome around and make rescue a reality, perhaps some Canadians should sit up and take notice.

The Financial Times on April 27 said:

For a refreshing change the Canadian Government seems content to play a minimalist role, surely the proper one under the circumstances.

On May 8 the *Gleaner* of Fredericton, New Brunswick, contained these words:

Government meddling in the oil and gas industry in recent years has been so costly that the people of this country should be skeptical of the interventionist views over Dome Petroleum.

[Translation]

Madam Speaker, Members of the Opposition have been urging us to intervene to seal the outcome of the Dome purchase offer. They suggested that the Government should use its clout and make sure that a Canadian company be favoured. Madam Speaker, this suggestion reveals their ignorance of the law: there simply is not a Canadian law under which the Government would be able to give the nod to a Canadian bidder. Dome belongs to its shareholders, not to the Government. The Government has set a clear and no-strings-attached framework for companies anxious to do business in Canada. Pursuant to this process any offer, including Amoco's, must be examined in light of the legislation and policies prevailing in this country. Any other approach would make it mandatory for the Government to pass specific new legislation in this case, and this would have a strong negative impact on investments, on quality, on our country's image and, ultimately, on job creation.

[English]

The results of establishing this clear framework can now be seen. Dome's problems are well under way to being resolved. We have witnessed a healthy competitive process which is in the interests of all Parties, be they employees, suppliers, shareholders or creditors.

There have been three bids to acquire Dome, one from a Canadian firm. To date a foreign firm, Amoco, has made the best bid which was selected by the Dome board of directors. No one has denied that that is the case. However, the deal has not yet been approved by Dome's creditors and shareholders. Other companies have indicated a continued interest in Dome.

[Translation]

If Amoco's bid is approved by Dome creditors and shareholders, then the acquisition will have to be reviewed by Investment Canada. The Government which I represent wants to make sure that such a purchase will be of significant benefit to Canada. I have already said I am convinced that such a company will have to be a model organization for corporate citizens. It is very important that any company seeking a merger abide by high standards with respect to investment, job creation and Canadian ownership. Madam Speaker, we would be acting irresponsibly if we were to engage in public negotiations concerning this kind of takeover. Still I can assure you that this Government is intent on making sure that the deal be in the interests of Canada.

No official request has been submitted to the Government as yet, but we have taken some significant measures to guarantee that Amoco's proposal, if it goes through all the required stages, is a profitable one for Canada.

I had a meeting with Amoco executives at my office, and I let them know, in the clearest possible terms, how important the Government felt this transaction to be and that we would ensure it would benefit Canadians in terms of jobs, investment and participation in the company.

Last week, Mr. Dan Stacey, President of Amoco Canada, announced that his corporation would issue a substantial number of shares in Canada, if the proposal to purchase Dome Petroleum was accepted. Thus the principle of Canadian participation in the development of our oil and gas resources will be respected. It also guarantees that the corporation will have a Canadian face. Madam Speaker, I believe this was a major decision. For the first time in its corporate existence, Amoco has agreed to create a local corporation in a country outside the United States, and I think that the discussions and the Government's position, as expressed in the clearest possible terms by the Minister of Energy, Mines and Resources, were instrumental in convincing Amoco that there were certain requirements that had to be met to do business in Canada.

[English]

This is a major commitment on the part of Amoco, one which should be commended. It will mark the first time in 40 years that Canadians will have an opportunity to participate directly as shareholders in the company's growth. As I indicated to Amoco, I believe Canadians should have a right to invest directly in the development of their resources. This is particularly important in the case of a company which, by a number of measures, would be the largest oil and gas firm operating in Canada.