

However, it does appear tragic to me that the Minister of Finance (Mr. Turner) in his budget the other night did not take the opportunity to remove from the Income Tax Act the "principal business test" as it pertains to the oil and gas industry, because that section of the act is more responsible for the present degree of foreign ownership of the oil and gas industry in this country than any other piece of fiscal or economic policy. Removing this one section from the Income Tax Act would go a long way to providing Canadians with opportunities to participate in the ownership of the industry in Canada.

There are, of course, a great many other things which the government could and should do, a great many sins of omission and commission on the government's part which make it difficult for Canadians to be majority owners of their own industry. If one wants to find reasons why our industries are foreign-controlled one need look no further than the policies of the government opposite which apparently has long held the view that it doesn't matter who owns what as long as they can tax it. This was their view, and it remains their view. When public pressure increases they may occasionally take some action, but usually it is action which tends to increase government rather than Canadian ownership.

Clearly it has been a political ploy all along to suggest that our opposition to the national petroleum bill makes us in some way friends of the multinational companies, that it somehow makes us anti-Canadian. It is a ploy which has been used continuously through all stages of this debate. It has, of course, no basis in fact. Indeed, the fact that we reject socialism as a viable alternative in terms of Canada's future development does not mean we reject nationalism, and I suggest that some of the so-called nationalist sentiments expressed by those on the left wing of this House are, really, a case of socialists representing themselves in the guise of nationalists in an attempt to reap whatever political support this may bring them.

At the beginning of my remarks I indicated that some accommodation with our point of view was reached during the committee stage. In particular I might mention the clause which would have required the corporation to obey every whim of the minister provided that the whim was written down rather than expressed orally. We found this to be totally unacceptable. After some weeks of discussion in committee there was accommodation to that point of view. In exchange, we agreed to a limitation of two days of debate to settle all matters at report stage and on third reading. We are now into that debate to the extent of some 48 minutes. My hon. friend from York-Simcoe will be moving another amendment later, and I know there are others on this side who would like to get their views on record.

Having said this, I shall not belabour the subject any further. I shall merely say that there have been some informal discussions and I believe it is acceptable to ourselves and members opposite, as well as to the New Democratic Party, I hope, that votes on the amendments may be taken together at the end of the two day debate.

Mr. Knowles (Winnipeg North Centre): That is the rule, anyway.

Petro-Canada

Hon. Donald S. MacDonald (Minister of Energy, Mines and Resources): To deal briefly with the amendment the hon. member has put forward, Mr. Speaker, Clause 7(1)(n) contains a provision which will be found generally in corporation law authorizing corporations from time to time, on the judgment of the directors, to sell or dispose of any part of their undertakings. If hon. members reflect on this they will realize, of course, that any corporation will, from time to time, be dealing with its assets, perhaps selling some in order to acquire others, so it is perfectly logical and, indeed, essential that this power should be available.

What the hon. member has proposed, however, is that the board of directors should be given authority to sell the whole undertaking of the corporation without any reference whatsoever to parliament.

Let me draw the attention of hon. members to clause 28 which provides as follows:

No law relating to the insolvency or winding-up of any body corporate applies to the corporation and in no case shall the affairs of the corporation be wound up unless parliament so provides.

Thus, were it thought advisable to discontinue the operations of the corporation the government of the day would have to go back to the House and, by proposing specific legislation, secure the right to bring the corporation to an end.

If the power which the hon. member is seeking were granted, the activities of the corporation could quickly be brought to an end without any reference to parliament; the board of directors could simply sell the whole of the undertaking. I suggest that if it were thought advisable to take such a major step in the future, after hundreds of millions of dollars had been invested in the corporation, the government of the day should be obliged by law to come back to parliament and seek, through parliament, the necessary authority. It is really because we are concerned that parliament should have the final say in any such decision that I counsel hon. members and seek the support of parliament against this particular amendment.

● (2050)

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the hon. member for Calgary Centre (Mr. Andre) has said on this report stage what he said many times while Bill C-8, to set up a national petroleum company, was before the Standing Committee on National Resources and Public Works, namely, that he sees no need whatever for setting up such a company. Certainly, the amendment that he has now proposed and the other amendment which His Honour the Speaker felt was out of order are designed to achieve that result. The present amendment to clause 7(1)(n) would allow the corporation to sell or dispose of all or any part of the undertaking of the corporation for such consideration as the corporation thinks fit. The amendment that was not allowed would have struck out subclause (3) of clause 5, which provides that the common shares of the corporation are not transferable and shall be registered in the books of the corporation in the name of the minister, and held by him in trust for Her Majesty in right of Canada. So the whole purpose of this amendment, as well as the amendment that was not allowed, is to make it possible for the national petroleum