

Canadian operators who, in the past, have had to sell out to the internationals when they ran short of risk capital.

[Translation]

Mr. Speaker, this leads me to a most important aspect of the operation of the company, that of staff and manpower training. People are a company's most important resource and the Canadian petroleum industry has developed over the years a highly competent group of professionals who have become experts in all phases of industry operations including its management. The majority of these are employed by foreign-owned companies. The corporation will offer opportunities which are commensurate in challenge and scope, and as its role may ultimately be just as diverse as those of some large international companies; it will provide a good training ground for Canadians wishing to link their careers with the oil industry in the service of Canada.

Much of the activities of the company will take place in frontier areas inhabited by our native peoples and I look to the company to play an important role in training Canadians of Inuit and Indian origin. It could in this way make an effective contribution to the social as well as the economic development of the north.

The bill before us provides powers for the company to engage in "downstream" activities of the petroleum industry such as oil refining and marketing. While the government intends thereby to keep our options open and enable us to respond to future needs and opportunities, it is our present view that this sector of the industry is well provided for by private companies. Moreover, the costs of entering this phase of the business are extremely high and might not immediately be justified in relation to the more pressing need for development of the basic resources.

[English]

The House is aware that the economic growth and social progress of our country have taken place in an economic framework characterized by both public and private enterprise. Examples of successful public entrepreneurship in the fields of civil aviation, electric power generation, particularly in development of the CANDU nuclear reactor, the country's most successful energy project, railway transportation and petrochemicals are too numerous to mention here. Until recently our fuel industries have been characterized by almost complete private ownership. I want it to be clearly understood that the national petroleum company which we propose will not replace private industry or private entrepreneurship. We look to the private sector to continue to find, develop, transport and deliver the bulk of our fuel energy needs. The national petroleum company is intended to supplement and stimulate the efforts of the private sector in a co-operative atmosphere to the benefit of all Canadians.

Whether under public or private direction, a significant part of the Canadian economic activity is located in energy producing activities. The largest part of this production is vital to other Canadian industrial activities and to the support of the Canadian lifestyle. The climate of Canada and the standard of living to which we aspire, combine to make this sector of the economy one of the most important. The government has always recognized the special status of this industry. The creation of the national corporation will add to the instruments available

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to the Government of Canada to advance Canadian interest in secure and adequate energy supplies and in the sharing of the wealth which Canadian resource endowments make possible.

I trust the House will give Bill C-8 the careful consideration and prompt passage which it deserves. I can promise that, upon its enactment, the government will move equally quickly to set up the company and put it to work. The establishment of a national petroleum company is not a venture for the short-sighted or for the timid.

Mr. Bawden: What about the taxpayer?

Mr. Macdonald (Rosedale): Speaking about being shortsighted, I think the best example is the hon. member for Calgary South (Mr. Bawden)—or is he the member for Houston? I really don't know.

Mr. Bawden: Now your prejudices are coming out!

Mr. Macdonald (Rosedale): That great Canadian, the member from Houston!

Mr. Bawden: Where are you from?

Mr. Macdonald (Rosedale): I would ask the House, by passing this legislation, to show its confidence in the reality of our energy potential, its recognition of the magnitude of our needs, and its belief that the time is ripe for a bold step which will give public enterprise a significant role in this critically important industry.

Some hon. Members: Hear, hear!

Mr. James Gillies (Don Valley): Mr. Speaker, I do agree with one thing the Minister of Energy, Mines and Resources (Mr. Macdonald) has said—this is an important debate, for the government's proposal marks a milestone in the development of the Canadian economy; it indicates the direction the government wants the country to take in the future, and suggests the kind of society it wants to create.

● (1550)

We have a proposal today made by the federal government that it move further into the private sector, without there being any demonstration that there is a need for it to do so. The bill is so broad that it is clear the government is taking the position that the private sector can no longer be counted upon to develop natural resources in this country. However, most of the Canadian people believe we should have an economy that basically is operated through the initiative of its citizens, not its governments.

We in Canada have evolved over time a modern, contemporary view of economy policy. No one today objects to the proposition that it is the government's responsibility to provide a level of full employment, to keep prices stable, to do something about regional disparities and to lessen disparity of income among individuals in different parts of the nation. We all believe that this is an essential part of government's responsibilities.

Associated with that, however, is the proposition that the best way to do this is through general monetary and fiscal policy, and the application of regulations where