

*Energy Supplies*

and had not been prepared to take the lead of the province of Alberta, it might have developed its own energy policy. But it has not; it has no policy on price. Its policy respecting Petro-Canada, the national policy instrument, is to destroy it, to get rid of it, wind it up, sell it, carve it up in pieces and dish it out.

The hon. Leader of the Official Opposition (Mr. Clark) gave an interview to the Canadian Broadcasting Corporation on the weekend. I have the transcript in front of me. Once again it is quite clear that the Conservative party has never seen and does not now see Petro-Canada as a policy instrument, an instrument for energy policy in Canada.

**Mr. Lawrence:** Yes, you are right.

**Mr. Gillespie:** Again the hon. member for Northumberland-Durham confirms that the Conservative party does not see and has not seen that Canada needs an instrument for energy policy.

**Mr. Lawrence:** No, no.

**Mr. Gillespie:** The official opposition has failed to recognize that our industry is largely foreign-controlled, something in the order of 90 per cent or more; that the decisions respecting exploration and development are made by corporations with head offices outside of Canada, with priorities set by those outside of Canada, for very good reason but not always for Canadians.

● (1630)

I am not arguing that multinational corporations and foreign-controlled companies in Canada have never operated to the benefit of Canada, because I think quite clearly they have; and I think that as a result of the Foreign Investment Review Act they are doing so even more because they now have to meet the test of significant benefit to Canada. If more of them will recognize the importance of the principles of international business conduct, particularly those who are not screened by the Foreign Investment Review Agency but who are living in Canada seeking to be good Canadian corporate citizens, and will follow these particular guidelines, Canada will be better served.

However, we are not prepared to base our case just on those particular principles or the protestations of those companies who claim they are following them. We believe that in respect of an industry of this kind, with the degree of foreign control that exists, with an industry that is so strategic—and I emphasize that word “strategic”—in every sense of the word as the oil industry in Canada is, we need a significant policy instrument and a corporation which can give effect to Canadian priorities.

We believe Canada needs an instrument which can be used when a multinational corporation intervenes in an arbitrary way against the best interest of Canada, as the Exxon Corporation did the other day when it diverted oil destined for Canada. We believe we need an instrument of policy that will show that the heavy oils of western Canada represent a priority for Canada.

While we might be able to provide an incentive to the corporate sector, and indeed we have, we are not prepared to believe that tax incentives alone will do the things which are needed for Canada. We do not believe they alone will provide the degree of urgency attached to priorities in Canada. Yet the Leader of the Opposition has said tax policy is the key. He has made it quite clear that he would place all his emphasis on tax policy, and that he would be prepared to give more incentives to the oil companies.

Those are questions we will be debating in weeks to come, but clearly they divide the official opposition and the government party. As I go through statements by the Leader of the Opposition I find that he has said that “Petro-Canada has cost Canadians a great deal of money, and it has given us virtually no advantages that we would want that we did not have earlier”. Those are words he has used and put on the public record—that “Petro-Canada has given us virtually no advantages that we would want that we did not have earlier”.

What an incredible admission; what an incredible confession for a man who would be the leader of this country! He made that statement obviously out of ignorance. He is a man who comes from an energy-producing part of the country, yet he has so little interest himself in Canadian energy questions that he would make such a statement as “Petro-Canada has given us virtually no advantages that we would want that we did not have earlier.”

Has the Leader of the Opposition or opposition members thought about the Exxon situation and how they would have dealt with it? Have they thought about what vehicle or policy instrument they would have used to work out arrangements with Venezuela? I have not heard from them on that, or on what policy instrument they would have used. I have heard very little from them on the way multinationals have established a particular priority in respect of the development of heavy oils in western Canada. That has been clear. At no time has the Leader of the Opposition indicated that heavy oils in western Canada are important, or that we need a policy instrument through which we can escalate their development for Canada.

**Mr. Knowles (Winnipeg North Centre):** I rise on a point of order, Mr. Speaker. I am sure you must realize what my point of order is going to be. A little while ago the minister, who has just been speaking, gave notice of a closure motion, indicating that the government wants to get on with this legislation. We now have before us a very precise report stage amendment dealing with the proposal that Petro-Canada should be designated as the sole importer of petroleum and petroleum products in an emergency situation. Surely it is out of order for the minister to wander over the whole question, to revive the second reading debate or to anticipate the third reading debate. If he is anxious to get this debate finished, why does he not deal with that which is before us; in other words, why does he not speak to the motion?

**Mr. Gillespie:** Mr. Speaker, I have just about concluded my remarks. I think it is important that we discuss the role of