

permitted explicitly in the bill shares of Petro-Canada to be owned by non-Canadians, by non-residents.

The proposed limit is 25 per cent. There is also a limit of 10 per cent being held by any one individual. With reference to this specific motion, it means that a foreign government, or an agency thereof—a national oil company of another government—would be restricted to 10 per cent ownership of the privatized Petro-Canada. Why is that relevant? Why is that an issue for Canadians?

I want to point out that a few months ago a Crown corporation, Connaught Laboratories, was privatized and sold, and notwithstanding the close relationship that had existed between Connaught and the Government of Canada over the years and the great work that Connaught had done, it became necessary to accept a merger with a French corporation which was owned in part by the French government.

I found that to be a step backward for Canadians. If the thrust of what we are doing in terms of privatization includes a policy of Canadianization, and that policy was confirmed by the minister of energy when he appeared before the legislative committee on Bill C-84, then any procedure, any statute which provides or acquiesces in the ownership of shares by a foreign government runs completely contrary to that.

Let me place a hypothetical situation before the House. We might be looking at this type of problem here. I do not wish to cast aspersions on the Venezuelan state oil companies, but they may have an interest in marketing their petroleum products in Canada. They may deem it in their interest to acquire a 10 per cent interest in Petro-Canada. I suggest to the House that that ownership would influence Petro-Canada greatly in a marketing decision that would remove Canadian oil products from eastern Canada and replace them with Venezuelan oil products. That may be totally inconsistent with Canadian strategic energy planning. It may not be, it may be completely consistent. We do not know. What we do not want to have is a state oil company of another country influencing strategic energy decision-making here in Canada.

• (1150)

I suggest that the provisions of the bill, as they are constituted now, would permit or even invite this to happen. I would not be the first to stand and say that an

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interest in Petro-Canada is an automatically appealing investment for another state oil company, but you never know. Certainly in this world we never know. We do not know what is going to come up tomorrow.

We have placed millions and millions of dollars of taxpayers' money in Hibernia. Would it not be embarrassing to have another government that had a great interest in the energy sector pick up a piece of the Hibernia development? One is for sale. A few days after the passage by this House of the Hibernia legislation authorizing all of that money to be put into Hibernia, the other Canadian partner, the non-Petro-Canada partner, indicated publicly that it had a desire to sell.

Perhaps I do not have to comment strategically on why they waited until after the bill was passed in this House. The prospect of Hibernia being less than 50 per cent owned would have had an impact, I know, on the decision of all the members in this House. Let us hope that Hibernia is not the first test case for the absence of a prohibition on foreign government or foreign agency ownership of Petro-Canada shares.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I am happy to have an opportunity to speak in the debate on the privatization of Petro-Canada, although not happy that we are having the debate in the first place. In my own view, the privatization of Petro-Canada is part of an over-all process by which the Conservative government is systematically dismantling the country.

I do not know that it actually realizes this. I like to think that it does not realize it. I like to think that it is a form of ideological naivety that is not malicious in its intent. However, I am sure that it is malicious in the boardrooms of some of the corporations which fund the Conservative Party, which give it direction and which take great delight in the fact that Petro-Canada and other Crown corporations have been and are to be privatized. Canada is to be left entirely open and vulnerable to the dictates of the marketplace, which is just an euphemism for being open and vulnerable to the dictates of the multinational corporations.

For many years Canadians were very concerned about the question of foreign ownership of various sectors in our country. They were concerned about foreign ownership in the energy sector, particularly in the oil and gas industry. One of the solutions that has long been