

are. That is the problem. Therefore, I want to ask the Minister this question.

Texaco Canada is now up for sale. The Petroleum Monitoring Agency says Bow Valley, which is foreign controlled, and Husky which is foreign controlled, are now major bidders for that company. Given that, what steps is the Government going to take to ensure that Texaco Canada will not add further to the decline in Canadian ownership by being sold to foreign owned companies?

**Mr. McDermid:** Who owns it now?

● (1120)

**Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, I do not need any lectures from the Hon. Member for Winnipeg—Fort Garry about telling the truth. I refer to the *Winnipeg Free Press* article of August 9 which outlines the reasons why his Leader and himself should start telling the truth when it comes to talking about the trade deal. The Member may want to read that because it is very good food for thought.

If the Hon. Member is asking the Government to reinstitute the Foreign Investment Review Agency, which contributed to the devastation of the energy sector, the answer is no. We have been encouraging investment—

**Ms. Copps:** Stand up for Canada.

**Mr. Mazankowski:** I know the Hon. Member from Winnipeg does not really give a hoot about the energy sector, but there are some Members in this House who do.

As I said earlier, there has been a strengthening in this sector and that has been good for the creation of jobs and good for the stimulation of the economy in all regions of Canada. The Texaco issue will be examined in due course if an application is made to Investment Canada. It will be considered in the appropriate manner consistent with the policies and guidelines laid down by Investment Canada.

**Mr. Axworthy:** Mr. Speaker, if the Deputy Prime Minister wants to place so much faith in the *Free Press* editorial he should take note of what is in the paper today, that is, that the Liberals are leading in the city of Winnipeg at 45 per cent and his own Party is at 24 per cent. Under those circumstances the *Free Press* can keep writing all the editorials it wants because our percentages keep going up and the Conservatives' keep going down.

#### GOVERNMENT POLICY

**Hon. Lloyd Axworthy (Winnipeg—Fort Garry):** Mr. Speaker, I want to direct another serious question to the Deputy Prime Minister and would like to get a serious answer in response.

Under the proposed trade agreement the Government has changed the threshold to weaken further the control over

foreign investment. The U.S. legislation carries with it new negotiating directions to the United States administration to reduce further the grandfathering of investment in energy and other forms of resources.

Is the Government not basically covertly endorsing, not the sale of Canada's resources but the sale of Canada's ownership of its resources? Are we not really selling the country out by your policies in energy, oil, gas and resources? Are we not seeing the sell-out of Canada?

**Mr. Speaker:** Order. I would ask Hon. Members to put their questions through the Chair. The Hon. Minister.

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, this is another indication of why the *Winnipeg Free Press* titled its editorial "Tell the people the truth". The editorial writer said, "John Turner should tell the people the truth".

**Mr. Axworthy:** That's why we are at 45 per cent in the city of Winnipeg. That's why you will not have a Tory Member left in the city of Winnipeg.

**Mr. Wilson (Etobicoke Centre):** The Hon. Member for Winnipeg—Fort Garry should be telling the people the truth and not distorting the truth as he has done in this question and many other questions in relation to investment.

The Hon. Member should understand that the purpose of the free trade agreement—

**Mr. Boudria:** Where are you going to run, Mike?

**Mr. Wilson (Etobicoke Centre):** The Hon. Members do not want an answer to the question. The Member for Winnipeg—Fort Garry has said time and time again that we should not be proceeding with the free trade deal but should be working through the General Agreement on Tariffs and Trade. He should understand that GATT is addressing the question of investment and the question of trade in services. The things we have done in the free trade agreement with the United States are very consistent with the things he is going to be proposing that we do with the General Agreement on Tariffs and Trade. The Member should get a bit more consistency and less distortion into his questions.

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#### TRADE

##### CANADA-UNITED STATES FREE TRADE AGREEMENT—TARIFF REDUCTIONS

**Hon. Herb Gray (Windsor West):** Mr. Speaker, I have a question for the Deputy Prime Minister. Speaking of telling the truth, for the past year the Government has been telling Canadians that they as consumers will benefit from the full reduction in tariffs with the United States which the Government says will come from its trade deal with that country.