

Oral Questions

GOVERNMENT POLICY

Mr. Ian Waddell (Vancouver—Kingsway): My supplementary question to the Minister is this. Given that the Government has been sabotaging Petro-Canada for the last two years by cutting high-risk expenditures, by cutting research and development, by hosing consumers at the pump, by taking dividends out of the company and not putting any equity back in, is it any wonder then that there is no public policy set by the Government for Petro-Canada right now?

Hon. Barbara McDougall (Minister of State (Privatization)): Mr. Speaker, the Government has said all along that it would examine the need for any public policy. My hon. colleague, the Minister of Energy, Mines and Resources, has already answered this question. The issue is under serious review. When the people of Canada elected us, they knew that we were interested in privatizing companies that we thought had no public policy purpose. The reason that it does not have a public policy purpose is that there are other ways in which we can encourage exploration and development, and we have done that.

ENERGY CRISIS CONTINGENCY PLANS

Mr. Ian Waddell (Vancouver—Kingsway): Is the Government aware that in 1973 during the first energy crisis the British Government told British Petroleum, of which it owned a 50 per cent share, that it had to meet British energy needs first before other energy customers, and that British Petroleum refused?

• (1425)

Given that there would be minority shareholders who, under our law would have an interest, how does the Government propose to direct that kind of privatized Petro-Canada to ensure energy security, exploration, and development to meet the energy crisis of the 1990s?

Hon. Barbara McDougall (Minister of State (Privatization)): Mr. Speaker, the Hon. Member keeps asking the same question in different ways. I have already pointed out that there are other ways to encourage exploration and development and Canadian self-sufficiency. The Government has other powers besides the power of ownership. A privatized company in the hands of Canadians could help to fill the interest of Canadians in self-sufficiency and in Canadianization.

DEVELOPMENT OF TERRA NOVA OILFIELD

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, my question is for the Deputy Prime Minister. Yesterday the Minister of Transport and the Minister of Energy, Mines and Resources announced in St. John's, Newfoundland, Petro-Canada's decision to drill two new wells at the Terra Nova oilfield. Also the Ministers in question announced the mode of production to be employed if Terra Nova is to be brought into commercial production. Both the

decision to drill two new wells and the decision on the mode of production were taken without the advice or the consent of the Government of Newfoundland. Why did the Government of Canada break its legal commitments to the Province of Newfoundland under the terms of the Atlantic Accord passed in the House only a few weeks ago? In describing the agreement, the Prime Minister said that it was an accord which makes the Province of Newfoundland a full and equal partner in its own offshore development.

[Translation]

Hon. Marcel Masse (Minister of Energy, Mines and Resources): Mr. Speaker, the decision made by Petro-Canada was a business decision, and the announcement was made in an entirely appropriate manner. If and when a development plan is submitted, depending on the results of geological testing, it will be submitted as agreed to the Canada-Newfoundland Offshore Petroleum Board.

[English]

TERMS OF ATLANTIC ACCORD

Mr. Brian Tobin (Humber—Port au Port—St. Barbe): Mr. Speaker, the terms of the Atlantic Accord make explicitly clear the equal role of the Government of Newfoundland in the development of the Newfoundland offshore. Yesterday, the Minister who just spoke and his colleague from Newfoundland, in a fit of pique in the middle of a cat fight with the Premier of Newfoundland, made unilateral announcements without respecting the terms of the agreements contained in the Atlantic Accord. Will the Deputy Prime Minister stand on his feet and apologize to the people of Newfoundland for that unilateral action which made a mockery of the Prime Minister's commitment to the people of Newfoundland and of the Atlantic Accord? When the Prime Minister announced the Atlantic Accord, he said: "We have believed firmly in the principle of equality—equality in terms of joint management—". Where is the equality today?

[Translation]

Hon. Marcel Masse (Minister of Energy, Mines and Resources): Mr. Speaker, first of all, we certainly have no apologies to make for the decision by Petro-Canada. In fact, we are delighted. Second, the process that led to the decisions and the announcement made by Petro-Canada were quite normal and appropriate.

LAY-OFFS IN MONTREAL EAST—GOVERNMENT POSITION

Mr. Robert Toupin (Terrebonne): My question is directed to the Minister of Energy, Mines and Resources. Last week I stated that the Conservative Government was gradually setting the stage for the privatization of Petro-Canada—apparently this has since been confirmed—a move which would lead to the closure of the Montreal East Petro-Canada refinery. There are regular lay-offs: 21 workers lost their jobs and none was offered alternative employment. I asked the question last week but did not get an answer. What does the Minister intend to do