

extent that there is no competition because of the number of companies involved, what the Conservative Government is now doing is to crush independent Canadian producers as, sooner or later, especially if the prices go down, these producers will have to sell out to the larger companies which have the required cash flow because of the fact that there is no competition and that prices at the pumps are high. Because of this and the attitude of Petro-Canada in this sector, the large companies will be able to liberate the necessary cash flow to buy out independent producers, who will be caught in a trap. Why are these independent producers now caught in a trap? Because one of the larger companies, Petro-Canada, must purchase 60 to 70 per cent of its oil from them. It buys this oil at a low price and resells it at the pump where it can control prices.

In this context, Mr. Speaker, I think that if decisions have to be made logically and democratically, it should be by this House and by the Government on the other side and not by players outside this place.

I would like to add another dimension to this debate and speak about Canadian unity. When international oil prices were high, the Liberal Government at the time naturally disagreed with the people opposite and said that it was abnormal for Canadians in general to pay excessive prices for heating oil and gasoline and for Canadian businesses to pay such high prices for their energy products because three or four producing countries had decided to set up a cartel. Naturally, at that time, certain producing provinces were asked to make sacrifices for the rest of Canadians. What I am suggesting today to the Government is that in that same spirit of Canadian unity, a point in time will come, if the situation continues to change, where the central provinces, Quebec, Ontario and other regions will have to send the elevator back to the Western producers because we cannot accept that for the purpose of allowing for a kind of free competition that does not actually exist they should tear down in a matter of two to three years' time what has cost so much time and money to build up, that is the Canadianization of our companies which are engaged in oil exploration and production. This is exactly what the OPEC cartel is trying to do, disrupt as much as possible our national self-sufficiency policies. And once they are disrupted, they will jack prices back up and we will find ourselves, in a few years from now maybe, with oil at \$40 or \$50 U.S. a barrel. And by eliminating with Bill C-85 important elements of the National Energy Policy, by completely deregulating a "free" market that is not actually free, they are trying to bring to an end the Canadianization of our companies and they will push Canada into a situation in which it will again have to depend on foreign producing countries for our supplies, if all exploration is to be stopped.

This is why I am arguing today, not so much to defend the petroleum incentive program as it existed. My aim is not at all costs to defend every aspect of the National Energy Policy. My aim is to tell the Government: "Watch out! Make no mistake!

### *Petroleum Incentives Program Act*

The approach you are taking might be the one that will kill free competition. It might prove to be the most damaging approach to private enterprise that could exist. And it might probably place this country back into situations of conflict between the East and the West."

● (1450)

Mr. Speaker, considering the reduced international price of oil and the fact that Petro-Canada because of its purchasing power is crushing independent producers, would the government intervene rather than withdraw from the management of that resource which is generally known as being limited and non-renewable.

I see all the Tory Members from Alberta. I understand that they are in a difficult position. However, I say today, having travelled throughout Quebec and part of Ontario, that you have supporters not only in Alberta but everywhere in Canada who realize that at a given time there should be a reversal.

I do not know when one should intervene, but I am concerned each time the minister of Energy, Mines and Resources (Mrs. Carney) says that we will have no intervention but free competition.

I am concerned and I say to the Tory Members, especially those from the West that they may have made some representations in their caucus. However, these will not be entirely inconsistent with mine because I do not want to take a partisan approach. However, if they want me to, I could well do so.

But when I talk about Canadian unity, will the Tory Members tell me that I am being partisan? When I say that there is no competition in the oil industry, am I being partisan? When I say we should help Canadianization and protect our producers, am I being partisan?

Mr. Speaker, at what point should I consider comments as insulting to my colleagues? I would invite them to understand that we are not talking about the corner store but about an industry where four or five major companies control product distribution. When there are only three, four or five buyers, how can you expect independent producers to survive if there is no Government to protect competition.

In fact, how can we have a free market when producing countries are openly getting together to try and limit production and make prices go up? I say that if anyone should set prices for oil and gas within Canada's borders, it should be the Government of my country, not the member countries of OPEC.

**The Acting Speaker (Mr. Paproski):** Order. Questions and comments.

The Hon. Member for Gatineau (Mrs. Maily).

**Mrs. Claudy Maily (Gatineau):** Mr. Speaker, it is really too bad that in his first major speech since he was appointed,