

was that Petro-Canada should be owned only by eligible Canadians.

What he was quoting was the minister's reference to a task force of the Conservative Party which had been established. It was a task force whose recommendations had been endorsed by the minister and other members of the Conservative Party. One would have thought, therefore, implemented at this stage by this government, it would be a Canada-first approach to Petro-Canada privatization.

In practice, however, that is not the approach which has been taken by this government. When my colleague, the member for Edmonton East, brought forward suggestions such as this within committee, these suggestions were rejected by the Conservative government majority within that committee.

It has been very clear that what we are talking about here is seeing to it that the Canadian resources which are produced and extracted by Petro-Canada create downstream jobs in this country; jobs in the refining industry, indeed jobs beyond the refining industry. Specifically, the jobs within the refining industry should be expanded by a commitment that Petro-Canada will see to it that all refining take place in a refinery located in Canada.

It is especially important at this stage because we are talking about a period in our country where the Conservative government, as it has done in the past when it has been in power, has led us into an economic slump.

We recall the period of John Diefenbaker's government when the Conservatives were last in power for a six-year period. At that stage it was successful, as usual, in reducing economic activities in this country, in leading us into an economic slump, in creating levels of significant unemployment through this country, and in exacerbating the economic inequalities among regions throughout this country. Now, once again, with this Conservative government that we now have back in power under the Prime Minister that we presently have, we see precisely the same devastation to our economic situation taking place in 1990 as took place under the Diefenbaker government in the early 1960s.

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It seems every generation or so, it is necessary for Canadians to elect a Conservative government, go through the devastation, the learning experience which is required to teach them that the Conservatives should be kept out of power for yet another generation. I am certain that this will be the case with respect to this government.

One of the reasons that it will be the case is that our unemployment rate is approaching 9 per cent. It is likely to go over 9 per cent this Friday. In the context where that is taking place this government is, nevertheless, not prepared to accept an amendment which creates jobs in Canada by seeing to it that downstream refining activity by Petro-Canada is a requirement of this legislation.

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, it will come as no surprise to you that we cannot possibly support this amendment which has been proposed by the New Democratic Party. I am not sure if the hon. member was at committee at the time, but it was indicated very clearly by the Minister of Energy, Mines and Resources that this amendment would be a direct violation of GATT.

As a matter of fact, the New Democratic Party is always talking about GATT and how important it is. It says that we should abide by GATT, we should not have a free trade agreement and we should deal with GATT. Yet, GATT said that this particular clause would be inconsistent with the GATT. That is the first reason why we would not bring it in.

The second reason we would not accept it is because we would be tying the hands of Petro-Canada. If they could not export oil they discovered but cannot use economically in its own facilities, sometimes heavy oils or whatever it may be, can be exported for refinery elsewhere.

The other problem is that he does not describe what refinery is. How far down the process does the New Democratic Party want this to go? There are many products that are made as feedstocks from petroleum products down the line, that are not made in this country, for example. Therefore, he would be tying the hands of the Canadian company. All the other Canadian companies could export but Petro-Canada could not. That is silly. That type of thing, I would assume, not being a lawyer, would not be allowed by the Supreme