

*Canada Petroleum Resources Act*

**The Acting Speaker (Mr. Paproski):** Pursuant to Standing Order 13(5), the recorded division stands deferred until 6 p.m. on Monday, May 12, 1986.

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**CANADA PETROLEUM RESOURCES ACT**

## MEASURE TO ENACT

**Hon. Ray Hnatyshyn (for the Minister of Energy, Mines and Resources)** moved that Bill C-92, an Act to regulate interests in petroleum in relation to frontier lands, to amend the Oil and Gas Production and Conservation Act and to repeal the Canada Oil and Gas Act, be read the second time and referred to a legislative committee.

**Mr. Girve Fretz (Parliamentary Secretary to Minister of State (Mines)):** Mr. Speaker, I am proud to speak on the second reading of the Canada petroleum resources Bill in the House today. It is an important element of our broader economic strategy. The strategy was clearly laid out by the Government shortly after we took office. It was particularly faithful to the commitments we made to the people of Canada during the last election.

The strategy reflected our belief as a Party, and the commitment of our Prime Minister (Mr. Mulroney), that fundamental change was necessary to the existing structure of federal economic policy. Soon after taking office, the Minister of Finance (Mr. Wilson) announced five economic priorities which would determine the Government's long-term approach to economic and fiscal management. They are: reduction of the federal deficit; removal of Government obstacles in the market-place; the strengthening of Canada's trade relationships; establishment of a new and a more practical investment policy; and the resolution of long-standing energy disputes with the provinces. These priorities reflected the genuine anxieties of Canadians about the way that the previous Government was mishandling the economy.

Under the former Government, unemployment and the deficit were on the rise while investment and investor confidence were on the decline. Our Government has moved quickly to make its economic priorities a reality, bringing new hope to Canadians. For the first time in years we have stopped the rate of growth in the deficit. There is real restraint in Government spending. This is a direct result of the Budget of the Minister of Finance.

As a Government we are deeply concerned with the fair and equitable treatment of Canadians from all regions, whether they are from Atlantic Canada, Ontario, Quebec or western Canada, and from all walks of life. I believe that the budget measures announced by the Minister of Finance treat seriously the problems facing our nation today. We can no longer afford to spend more than one-quarter—and I think the figure is close to one-third—of our national revenue on the financing charges for the debt. The Government is committed to paying

down the national debt. As any family with a mortgage or any small-businessman who relies on credit will agree, the sooner we pay off our debt the sooner we will be able to put our revenue to productive use.

That is what our Budget will do. By the end of the decade the national debt will finally stop growing faster than the national economy for the first time since 1974-75. The money the Government must actually borrow in the market-place is projected to fall from \$8.8 billion to \$11 billion in 1990.

The Minister of Transport (Mr. Mazankowski) has begun the process of deregulation in that sector. This initiative will release the market forces that will provide Canadians with the best transportation system at the best possible price while not sacrificing safety.

The Foreign Investment Review Agency has been replaced by Investment Canada. It attracts, and does not repel, the foreign investment so needed for healthy economic growth in this great country.

The Government has begun to return certain Crown corporations to the private sector. Those which serve a genuine public interest as Crown corporations will be retained. But those which merely represent the excessive intrusion of the previous Government into the Canadian economy will be returned to the market-place.

Our energy policy, like our over-all economic strategy, is based on certain fundamental beliefs: that the petroleum industry must be freed of excessive taxation and government control so that it can adequately respond to the sometimes dramatic shifts in the world oil market; and that energy should unite the country and not divide it.

The introduction of the frontier policy statement on October 30 marked the end of the Liberal blueprint for disaster—the National Energy Program. The Progressive Conservative message, the message of fairness and of market responsiveness, has been heard. It has been heard and understood by Canadians in every region of the country.

The Government has delivered on its promise to use Canada's vast energy resources as a uniting force. The Atlantic Accord has made Newfoundland and Labrador an equal partner in the development of oil and gas resources off its coast. Just two months after signing the Atlantic Accord we signed the Western Accord with the Governments of British Columbia, Alberta and Saskatchewan. This accord stimulated \$1 billion in investment. Under the accord, we deregulated oil prices.

Under the previous Government's policies the price was set at the whim of Government, regardless of what was happening in the market-place. Even if the pressure was for crude oil prices to drop, consumers would not have received any kind of price break unless the Government wanted them to receive one. Canadians remember that the National Energy Program increased gasoline prices by up to 94 per cent. The Western Accord has made it possible for consumers to enjoy the