

*Oral Questions***INVESTMENT CANADA****WEST KOOTENAY POWER AND LIGHT COMPANY—SALE TO UNITED STATES CORPORATION**

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, my question is directed to the Right Hon. Prime Minister and it concerns a very serious sovereignty issue for Canada and Canadians. He will be aware that the West Kootenay Power and Light Company is being sold to an American company in Kansas City, Missouri. He will realize that the company is involved with hydroelectric generation and water rights on one of Canada's major waterways.

Recognizing the importance of this Canadian sovereignty and that selling the company will be an unprecedented decision on behalf of the Government of Canada, is the Prime Minister prepared to step in and stop this sale before it is too late, and stand up for British Columbians on this very critical issue?

[Translation]

Hon. Michel Côté (Minister of Regional Industrial Expansion): Mr. Speaker, indeed our decision attests to the fact that the market place did work. The company accepted the best of a series of offers that had been made. I repeat, this has nothing to do with sovereignty, it is just a matter of letting the market place operate and making sure that our rights and resources will be used to the benefit of Canadians. This is precisely what is guaranteed in this decision.

● (1500)

[English]

UNITED STATES POLICY

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, the Minister ought to know that Canada is not simply a big cash register. There are other major concerns involved. In communication with the American Embassy this morning, I was told that American policy prohibits a foreign company from owning a utility on a navigable waterway in the United States. Can the Prime Minister explain to the House why the Americans would feel it is so important to maintain sovereignty over their utilities when we in Canada are prepared to sell them out to the highest bidder at any time and at any place?

[Translation]

Hon. Michel Côté (Minister of Regional Industrial Expansion): Mr. Speaker, again I repeat that the resources involved will remain in Canada and be developed for the benefit of Canadian consumers. The company which gained control will indeed honour this commitment. I want to assure the House that it will do so. Moreover, the regulations governing the use of these resources come under provincial jurisdiction and, right now, the provincial administration involved is determining to what extent Canadian consumers can be sure that the resources will be used in Canada.

[English]

Mr. Speaker: The Hon. Member for Okanagan—Similkameen on a supplementary.

REPORTED POSITION OF NEW DEMOCRATIC PARTY ENERGY CRITIC IN BRITISH COLUMBIA

Mr. Fred King (Okanagan—Similkameen): Mr. Speaker, I would like to ask the Minister of Consumer and Corporate Affairs if he believes that Investment Canada was influenced in its decision by the fact that the energy critic for the New Democratic Party in British Columbia made a public statement supporting the sale to the American utility company.

[Translation]

Hon. Michel Côté (Minister of Regional Industrial Expansion): Mr. Speaker, that is a very good question, but unfortunately I do not have the answer. I can assure the Hon. Member that market forces—

[English]

Mr. Speaker: Order, please. One does not always know what is coming in Question Period. I will allow one more question.

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[Translation]

THE ADMINISTRATION**OERLIKON AFFAIR—REQUEST FOR PUBLIC INQUIRY**

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Prime Minister and again concerns the Saint-Jean land flip. On January 10, I asked the Prime Minister whether at any stage of the bidding process for the low-level air defence system, Mr. Jean Bazin, or should I say Senator Bazin, had lobbied the Government on behalf of Oerlikon or acted as its representative, and the Prime Minister answered that "he is not a lobbyist". Today, I want to ask the Prime Minister, considering the information we received through the Hon. Member for Calgary-Centre, whether he is prepared to revise the answer he gave on January 20 and admit that a public inquiry is not only desirable but necessary to provide clarification of this whole affair and the involvement of Senator Bazin.

[English]

Hon. Perrin Beatty (Minister of National Defence): Mr. Speaker, as the Hon. Member knows, lawyers contact Governments, other officials or other people on a continuing basis on a whole range of matters. It is entirely appropriate that they do so. The Right Hon. Leader of the Opposition knows full well that it is common practice for lawyers to do that. I am not quite sure why the Hon. Member is alleging some impropriety in a lawyer making a contact on behalf of a firm for which he was working.