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When we look at the takeovers, we see that the Petro-Canada one cost the Government some $1 billion to acquire some 1,800 oil and gas stations in eastern Canada. How that really increased our reserves no one is quite sure.

Many Tories in western Canada, especially in Saskatchewan and other parts of the west, fought and opposed Petro-Canada. They wrote to the Prime Minister (Mr. Mulroney) asking why Petro-Canada was expanding and taking over thousands of gasoline stations which did not increase Canadian reserves. The Prime Minister wrote back and said: "We really do not have anything to do with Petro-Canada. It operates purely as a private corporation".

We saw the takeover of Gulf by the Reichmann brothers. Through an ingenious tax advantage, the Little Egypt Bump, the cost of that operation amounted to some $1 billion as well to Canadian taxpayers.

The idea of government involvement in massive investment to increase Canadian ownership seemed to be the policy of the Government. However, there was a dramatic change last July when the new Minister was appointed. He espoused a new policy which was carried through this evening. In his statement tonight the Minister essentially said that a transaction in the oil and gas industry was the same as any other commercial transaction and that they would judge it through Investment Canada if it were over $5 million. He indicated that essentially it was a private transaction and that they did not worry very much whether it was a Canadian or an American transaction.

Let us refer to what has changed. A year ago last fall the Government launched its free trade negotiations which are into a very critical period now. Clearly the Government would not want to do anything to offend the United States. We heard a statement this afternoon by the United States Under-Secretary of Trade in Toronto in which he gave his blessing to this Amoco takeover of Dome, which I believe is our second largest reserve of natural gas and our third largest reserve of oil. They want it to go through, with no questions being asked. Of course the Prime Minister, the Minister of Energy, Mines and Resources (Mr. Masse), and the others on the Tory side of the House will not do anything to impede that takeover.

A couple of years ago Petro-Canada was taking over a major American producer of oil and gas, and Gulf had no input or say in it. When Petro-Canada was set up it was to be a window on the industry. It is a major Canadian producer of natural gas and oil. Perhaps it is involved in as many plays in the oil and gas industry as any other Canadian company. Surely it might have been able to give the Minister of Energy another perspective. It could have been that window on the industry. Perhaps it could have played some role. After all, Dome has billions of dollars of tax write-offs. Yet Petro-Canada was forbidden to have any part in this even though the Minister was getting daily reports since last October or November as to the state of play between the various suitors for the takeover of Dome.

• (2320)

It was interesting tonight to hear the Parliamentary Secretary who represents the constituency in which Syncrude operates. He was very generous last December when he took the full responsibility for the Tory caucus when the Minister of Energy refused to give any assistance to Syncrude. The Syncrude people came before Members of the House of Commons with an excellent presentation with which I believe every back-bencher agreed, but the Minister turned that down. We have a situation where the Government has a *laissez-faire* approach to this matter, a very relaxed view with no effort at all to see these major Canadian reserves of oil and gas go to a Canadian company.

We would like to see a Canadian solution. We would like to see greater Canadian control. We have, according to the estimates about which I have heard, something like 55 per cent of the oil and gas industry now in Canadian control. Ownership is something less than that. If Dome is taken over by an American company like Amoco then that Canadian ownership and control will be dramatically reduced. This is only the latest in a long litany of government actions on energy.

If you remember, Mr. Speaker, we talked about energy in 1984. The Government talked about energy being the engine of the economy, and that it would create hundreds of thousands of jobs. The estimates were from 100,000 to 300,000 jobs as soon as the Western Accord was put in place. If the Western Accord could not do that, then the Atlantic Accord would. The Government talked about Petro-Canada being scaled down. If you listened to the Hon. Member for Calgary Centre (Mr. Andre), who is now the Minister of Consumer and Corporate Affairs, who fought Petro-Canada tooth and nail all the way through committee meetings and through the election campaign, Petro-Canada was going to be made to tow the line. Conservatives did not actually say that they would sell Petro-Canada. They said that before the 1979 election, but before the 1984 election they left it rather open and indefinite. Shortly after the 1984 election it took over 1,800 gasoline stations, and we all wondered about the Government spending either directly or indirectly some $1 billion to have that many Petro-Canada stations across Canada.

Do you remember the pride of the then Minister of Energy, Mines and Resources in the Gulf takeover when both Petro-Canada and the Reichmann Brothers increased Canadian ownership of the oil and gas industry quite dramatically, mostly at the expense of the Canadian Government which in the election campaign it had opposed vehemently? The only one who did not seem quite as happy was the Minister of Finance (Mr. Wilson) when he saw how much it was going to cost Canadians.

Then just a year and a few months ago, in January and February, 1986, in spite of this great Western Accord, the whole thing collapsed. The price of oil dropped from $30 a barrel to $10 a barrel and coincidentally with that the PIP grants were discontinued at the end of March last year both for the Beaufort Sea and for the East Coast offshore. The