

(b) to engage in research and development projects relating to fuel and energy resources;

(c) to import, produce, transport, distribute, refine and market hydrocarbons of all descriptions;

(d) to produce, distribute, transport and market other fuels and energy; and

(e) to engage or invest in ventures or enterprises related to the exploration, production, importation, distribution, refining and marketing of fuel, energy and related resources.

The legislation conferred broad operating authority on the new company, allowing it to participate in all aspects of the oil business and deal with all forms of energy, not just petroleum. Nonetheless, it was initially intended that Petro-Canada would concentrate on upstream activities in the domestic oil business. Appearing before the House of Commons Standing Committee on National Resources and Public Works on Bill C-8, *An Act to establish a national petroleum company*, the Minister of Energy, Mines and Resources, Donald Macdonald, said:

...to repeat an observation which we previously made, the intention is to supplement the capacities of the Canadian petroleum community to explore for and develop additional hydrocarbon deposits and in this sense the entering into the refining or marketing business would not be one of the primary objects of the Corporation at this particular time. I cannot speak for other Ministers or other ministries, as time may go on, but the primary purpose and the direction to which the Corporation would be put would be in the exploration and development field.

(Canada, House of Commons, Standing Committee on National Resources and Public Works, 24 April 1975, p. 8)

Within three years, however, Petro-Canada would exercise the authority granted to it under the Act to expand its operations into the downstream sector.

Apart from the objectives formally stated in the Act, which allowed Petro-Canada to operate as an integrated oil company, other objectives of a public policy nature were attributed to the Corporation. Foremost among its initial public policy functions were its expected contribution to securing Canada's oil supplies (by promoting petroleum exploration and development on Canada Lands and through state-to-state contracting for offshore oil), and its "window on the industry" role.

Larry Pratt has commented on Petro-Canada's policy functions in the following manner:

Of the numerous functions that a national oil company might perform, two above all preoccupied the Trudeau administration in late