

Government Orders

other. We find it ironic that the the government should make the point that Petro-Canada should be privatized because it is performing no public sector role. That, to me, is a very circular argument. It was this government in 1984 that acted to deprive Petro-Canada of any role in the public sector.

Our submission is that Petro-Canada should have a mandate that touches public sector interests, as well as private sector interests. If it did so as part of a national energy program in general, it would be part of a national energy policy which the government, in spite of what it says, does not have. We would find Petro-Canada, indeed, earning its keep and justifying the support of Canadians.

• (1750)

Mr. McDermid: Why do we keep it?

Mr. Kaplan: Why do we keep it, the minister asks. He made the point in his remarks, and I noted them, that it was only common sense to sell Petro-Canada.

To me, if anything, that betrays the small-minded view that the government is taking, not only of Petro-Canada and not only of energy policy, but of its whole responsibility as a government. "It is only common sense to sell it".

I noted the *Edmonton Journal* on October 3 dealt with the suggestion of the minister that it is common sense to sell it. It caught my eye that the *Edmonton Journal*, which opposes selling Petro-Canada, made the point that it does not make sense to begin disposing of the national oil company just as prices are sky-rocketing in the crisis produced Iraq's invasion of Kuwait.

The invasion of Kuwait by Iraq reminds us of the first of three brief points that I want to make on this subject. The first is that energy is not just a product like any other. It is a strategic resource. For the government to take what it calls a common sense attitude toward Petro-Canada and to feel that common sense requires that it be sold shows a failure to understand the significance of energy and the proper roles of Petro-Canada and government in dealing with it.

I will just summarize the three points that I want to make and I hope I can return to each. The second point is that the government really has no energy policy at all.

It thinks that when it talks about the marketplace being the proper allocator and the proper determiner that that is a policy. It is far from being an adequate policy.

Third, I want to make the point that an important element of nation building is being overlooked by the government, again, not just in connection with Petro-Canada but in its general approach toward its responsibilities.

The country is deteriorating. The national government of the country is evaporating. The national values of Canada, the things that hold us together and that make us want to survive together and to build together as a country, are diminishing and becoming smaller. For us in the opposition, the decision to privatize Petro-Canada is just one more step along the road taken by a government which fails to realize what is the essence of governing this country, and that is nation building.

Let me return to the first point I made about the government's theory that there is a marketplace that it supports, that it believes in, and that determines the price of energy. What is a marketplace? A marketplace is a metaphor for the place where willing buyers and willing sellers meet and transactions are completed. There is no such marketplace in the field of energy. This is a highly concentrated industry. When one seller raises its prices, the buyers are not given the opportunity to go rushing to the lower-priced sellers to buy from them and see them make bigger profits. If that happened, there would be a marketplace.

What happens when one seller raises its prices in this industry? There is price leadership, we all know that. Every other seller follows it and the prices go up. That is not a marketplace. The government itself knows that there is not a properly working marketplace in this field, because the government itself set up a price monitoring agency in the energy field. That is a recognition that these prices do not operate like the prices of food, or automobiles or industrial products. There is something there that needs to be watched.

We have lots of evidence in the past. We have convictions. The Minister of Justice is in the Chamber. She knows there have been many convictions in the energy field for price-fixing, for tide selling, and for every market abuse that one can bring into that sector.