

Oil and Gas Production and Conservation

• (4:40 p.m.)

public servants to function properly on the committee and fulfil its purpose. The hon. member went even further and said that people in the private sector are much more knowledgeable.

This brings me back to where I started. The hon. member has stretched the idea of flexibility to the breaking point, when the only flexibility involved is in the hon. member's ability to do a poor job of trying to cover up something and explain to the house that which is not explainable.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker—

Mr. Speaker: Order, please. I understand that the minister has already taken part in the debate.

Mr. Chrétien: No, Mr. Speaker.

Mr. Speaker: If not, the minister may proceed.

Mr. Chrétien: Mr. Speaker, I do not want to get into a long argument in explaining to the house why we cannot accept the amendment. The fact is that as far as the north is concerned we would like to make sure that the exploitation of oil resources is the best, and in achieving this we do not want to repeat the errors that have been made elsewhere. That is the reason for this clause. We want not more than three people from the public service of Canada on the Committee. We do this because we have to be realistic about this matter. The development of the north will not be carried out by only the public sector. Right now there is a great deal of activity in the north and the money is coming from the private sector.

The committee provided for in the bill will have to deal with problems in order to make sure that we achieve in the north the best production at the lowest possible cost so that the products of the north are easily saleable in world markets. We have in the north some problems that are not the same as those elsewhere in Canada. These problems arise because of the difficulty of transportation. We included this provision in the bill to make sure we will achieve the best possible productivity in the north. In order to achieve it we will sometimes have to interfere with the interests of the private sector and ask or urge them to do things that perhaps they will not like to do. This is why we want to make sure that at least two of the members out of the five will come from the outside.

If we were to say that all the members of the board should be civil servants, we would not ensure the proper representation of the private sector. Perhaps the three other members on the board should be from the public sector. That I do not know. This may or may not be desirable. As the hon. member for Northwest Territories (Mr. Orange) said, we may appoint someone who is completely independent and who has no interests whatever in the oil industry. If we do not have any flexibility we would not be in a position to appoint a person connected with an industry that is not related to oil or, as the hon. member said, to appoint someone who has been in the civil service and who would be pleased to act as a member of the board after retirement.

So I think that we must ensure that public and private sectors are represented, and this clause gives us sufficient flexibility to do so. If we feel that we need three civil servants on the board, we will appoint them. If not, we will not be forced to do so, but we want the people who are involved and who put up the money for the development of resources in the north to be represented on that board. It is fair that we keep two slots for them. The clause we are considering makes sure that three members on the board may be from the public sector. Anyway, all five of them will be appointed by the minister whose duty it is to this house and to the public of Canada to make sure that the people who are appointed to the board are the best possible.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, it is very interesting to hear the minister say that the government is desirous of appointing to the board people who have invested their money in the oil and gas industries so that the government can make use of their knowledge, and that because they have investments in these industries they are entitled to have some say in the operations of the board. If that is logical, then I find it passing strange that, for example, in the case of Panarctic Oil—I do not know whether this is the case today but it was a short time ago—the people of Canada, who have 45 per cent ownership of the company, have hardly any representation on its board. Following the minister's logic and argument one would conclude that 45 per cent of the directors on the board of Panarctic Oil would be people from the public service directly representing the investors, that is, the public of Canada. How many are there in fact? Only one. If the