

Canada Oil and Gas Act

challenges of decisions made by the minister. We think that is unnecessary. We think it is just a delay mechanism. We think it is just inserted in the bill on direct instructions from the big boys in the oil industry, the friends of the Conservative party, who want that in there so that they can stop an active minister of energy from properly implementing this bill.

We do not object to the minister's having discretion. If we look at many of the Conservative amendments—and we will come to them later on—we find that they deal with trying to stop the minister's discretion. They try to tie it up. We do not object to the minister's having discretion. What we object to is that discretion being exercised behind closed doors. We object to discretion being exercised with input only from a few civil servants in Ottawa. Those people might be distinguished civil servants, but they have not had experience in the field or, if they have, it was some time ago. They are not out there as industry, labour and local people are. That is why we have introduced Motion No. 12.

If we look at Motion No. 12, we see that we propose an advisory body so that when information goes to the minister and he exercises his discretion, there would be a committee on Canadian content made up of representatives from labour, industry, the people of the north and the people affected. The committee would participate in making the regulations.

The minister has said to us that we do not need to do this, that we do not need to specify all this Canadian content and all these requirements. He has said that we do not need to put teeth, as it were, into the bill because he can simply act by way of regulation or by way of a closed interdepartmental committee.

An hon. Member: We have seen that before.

Mr. Waddell: The problem is that we cannot trust that system. We are asked to trust. How are we to be sure that there is to be no back-off? This government is backing off from its energy policy bit by bit and piece by piece, and that will become obvious in the next few months.

Some people might want to read the speech of Peter M. Towe, the Canadian ambassador to the United States, given in New York on October 13, 1981. It was referred to by the hon. member for St. John's West (Mr. Crosbie) in a question the other day. It was a very important speech. I am going to quote from page 7 of that speech. The ambassador said this:

One especially unfair reaction to the measures we shall be taking to increase Canadian participation is the charge that the Canadian oil and gas industry is being nationalized. "Hijacked" said the *Wall Street Journal* in one of its more recent flights of editorial fancy. That is certainly not the case. What the Canadian government does intend is to mobilize predominantly private Canadian investment, from existing companies, pension plans, insurance funds and individuals, and to encourage their investment in the oil and gas industry.

I underline "private".

The government does intend to enlarge the presence of the national public sector in the oil and gas industry. Petro-Canada, for example, is playing and will continue to play a crucial catalytic role in high risk frontier development. But the public sector share of the industry will continue to be quite small, and the government is committed to vigorous competition in both the private and public sectors.

Then he went on in his speech at page 11 to say:

Some critics are concerned that the NEP's Canadian participation provisions might be the first step toward similar policies for other economic sectors. I can assure you that this is not so.

That is the end of the Liberal industrial strategy, the end of the Minister of Industry, Trade and Commerce (Mr. Gray) and the end of the whole progressive thrust of the government, all in response to the Americans and all because of fear. We have to say to our American friends that we are a good neighbour but that if they were in our place they would not permit an industry to be so foreign controlled as is our industry. They have a "buy American" program. We should have a "buy Canadian" program. What else do the Americans expect? That is not unreasonable. We have to say to them, "What kind of nation is it that conducts foreign policy by getting its best neighbour, Canada, mad?" That does not make any sense.

I do not think the government should back down as a result of any American pressure. The government appears to be doing so. That is why we put in Motion No. 12. We put in Motion No. 12 so that it would be set out that there would be a committee of local people, labour people and business people to advise the minister. They could help in the setting up of regulations and so forth.

The government has had some experience in this. Last summer there was a task force on megaprojects chaired, I think, by Shirley Carr of the Canadian Labour Congress and Bob Blair of NOVA Corporation. It can be done. There is precedent for it and it should be put in the bill.

With respect to Motion No. 11, again we propose a very practical amendment. The amendment would simply open up the bidding process for Canadians. I will not go into the details of Motion No. 11, but it states in part the following:

—open all contracts of a value of \$50,000 or greater undertaken in carrying out the exploration agreement to public tender and submit, in reasonable numbers invitations to bid to Canadian suppliers;

Again as the hon. member for Kamloops-Shuswap said, let us put some teeth into it. But the minister will not accept these motions. It seems to me they are very reasonable and practical suggestions. The minister came into the House the other day and suggested that this bill took a long time in the committee and that there were many problems. I respectfully suggest to the minister that when he proceeds with his next bill, if he were more flexible and prepared to accept some practical amendments—he is not known for his flexibility—he would not have as many problems.

I can conclude my brief remarks by saying that what we want to do is put a "buy Canada" program into legislation, and this is the bill to do it. A previous speaker said that one of the banks placed a figure of \$1 trillion on energy megaprojects, energy development on the east coast, on the west coast and in the north. This is very crucial legislation. We should not be asleep while this bill is going through.