

Supply

Mr. Cyril Keeper (Winnipeg North Centre): Madam Speaker, I want to start by indicating that we support this motion put forward by the other opposition Party. I want to read that motion into the record. It says:

That this House condemn the government for its repeated failures to protect Canadian sovereignty and economic independence as demonstrated by its weak and ineffectual efforts to oppose Opinion 256 of the United States Federal Energy Regulatory Commission with regard to transmission costs of Canadian gas, and by its compliant approach to permitting foreign take-overs of Canadian corporations and natural resources.

That really hits the nail on the head. It points out that the Government is giving up Canadian sovereignty. It is making a series of policy decisions that are eroding Canadian sovereignty. This is not just an abstract concept, it is a matter of public policy which directly affects both our economic well-being and independence. Of course, our economic independence is related to our capacity to make decisions in other areas, including that of foreign policy. The resolution points to what is basically a sell-out of Canadian corporations and Canadian natural resources. It points to the series of policy decisions the Government has taken since it came into office which have rolled out the red carpet for increased foreign ownership.

I want to back up those assertions by indicating that the decision we are dealing with today, something called Opinion 256 of the U.S. Federal Energy Regulatory Commission, affects Canadian energy policy. This decision of an American regulatory body seeks to determine how we handle the charges we apply to our resources. In this case it is called a toll.

Of course, this is not the first failure the Government has had in maintaining Canada's capacity to regulate its own natural resources. We can easily remember the softwood lumber conflict. The American industry became concerned about the fact that Canadian exports of softwood lumber into the U.S. were cutting into the American companies' business and those companies raised a real stink. The American Government responded and demanded that Canada impose a tax on its softwood resource.

What we have is the beginning of a pattern in which the Canadian Government buckles under to pressure from the U.S. Government and U.S. industry. As a result, our policies on the regulation of natural resources are beginning to be made in the U.S. The Canadian Government is in the process of giving up its ability to regulate our natural resources. It is beginning to simply respond to American pressure.

It is not only in the area of regulation that we are giving up authority and power and ability to regulate. This also spills over into the area of ownership. It raises the question of who owns the Canadian economy.

• (1740)

Obviously one long-standing problem in the Canadian economy is the fact that many of our industries are heavily owned by foreigners, primarily Americans. American investors and American companies own the greater part of Canadian

industry. The Government has exacerbated this problem. It has moved us further down that road.

In the last few weeks we have heard much about Dome Petroleum and about the bid by Amoco, a large American corporation, to take over Dome. The Canadian Government stands idly by while corporations in the petroleum industry are being sold off by Americans. The amount of foreign ownership in the petroleum industry is continuing to increase. This means that we have less capacity as Canadians to direct and set economic policy in this area. The Canadian Government is really assisting the Americans to gain greater influence over the Canadian economy.

Perhaps it is forgivable for the Prime Minister (Mr. Mulroney) to be buddy-buddy with the American President and to sign Irish songs with him. We understand that kind of behaviour; it is all right for television cameras. However, when that attitude or behaviour spills into economic policy, we have a real problem. When the Canadian Prime Minister fails to stand up for Canadian interests, fails to protect the capacity of the Canadian Government to regulate our natural resources, and fails to take effective action to ensure that the petroleum industry remains in Canadian hands or that the amount of Canadian ownership in the petroleum industry increases, in fact the Government is standing aside while the amount of foreign ownership in the petroleum industry continues to increase.

It is not surprising, because this is the Government which scuttled FIRA, an agency which was to examine foreign investment to see whether or not it was in the interests of Canada, and replaced it with Investment Canada, which had a track record for approving just about every bid by Americans to take over Canadian corporations. It is really a paper tiger. The Government has been weak-kneed in its approach toward the Americans.

This is really sad and dangerous at this time, because the same Government is involved in a free trade initiative with the United States. It has taken on the responsibility to negotiate a comprehensive trading arrangement with our American friends. If its track record in terms of natural gas, softwood, shakes and shingles, and increased foreign ownership of our economy is any indication of how it will handle the free trade initiative, Canadians have good reason to be afraid of what kind of deal the Prime Minister will bring to the House in the fall.

Will the free trade initiative adequately protect Canadian culture? Will it protect Canadian magazines? Will it protect the capacity of the Canadian Government to undertake regional development?

The matter about which we are speaking today involves natural gas. It is another blow to the western economy. Will the Government protect our capacity to take initiatives to develop our regional economies, particularly at a time when we know that the recovery over the last few years has had a positive impact in a very inequitable way? There has been