

Petro-Canada

of Panarctic and through Syncrude. Petro-Can will only duplicate these efforts and, as many speakers have pointed out, will only increase the bureaucratic employment opportunities for many Liberal friends who, I know, will find a very happy home within the directorship of this organization. It has been suggested that the minister himself may be vying for the position of the president of this new corporation. Furthermore, most of the lands expected to yield substantial new oil and gas reserves are already under lease. Further, the minister said that because of attractive investment opportunities and geological opportunities abroad, private industry will not concentrate as much effort in Canada. I submit that if he truly believes this, then why does he give Petro-Can the authority to operate outside Canada?

Second, Petro-Can has the authority to carry out research and development projects on all types of fuel. In my view this is a crucial area because we are told that oil and gas reserves are not limitless. However, can this area really be given much priority by Petro-Can when there are so many other duties and responsibilities to be performed? I think not, because historical facts have shown all too often that in the order of priorities research quite frequently fails to come anywhere near the top of the list. Perhaps it might be more advisable for these funds to be allocated to the National Energy Board which would conduct the type of research referred to.

Third, Petro-Can has the authority to engage in exploration, production, distribution, refining and marketing of all fuels. This places Petro-Can in direct competition with existing enterprises. It is rather difficult to envisage Petro-Can successfully competing against these large enterprises without spending huge sums of taxpayers' money in areas which are now adequately and effectively served by the private sector. Such a scheme is questionable, and furthermore there is no proof that Petro-Can can provide Canada with energy, either gas or oil, cheaper than is presently being provided by the private sector. One only has to look at other Crown corporations, such as CNR and Air Canada, to see that we are paying the going rate and we are not getting a break in our fares. As a matter of fact, if you look at ABC charters you will find that foreign carriers must file a tariff not less than that tariff which is provided by the Canadian flying concerns. So in no way can we envisage cheaper prices under the terms of this bill.

Fourth, Petro-Can has the authority to negotiate for and to acquire petroleum products from abroad. The experience of the Department of Supply and Services in this area speaks for itself.

The bill states that Petro-Can will be given an authorized capital of \$500 million. However, I think that we all realize that in order to set up an effective national petroleum corporation something in the order of \$3 billion to \$5 billion would be needed, and the task would take 15 to 20 years.

According to this bill, Petro-Can has the authority to lend money to virtually anyone. It can borrow and issue debentures at will, and if it asks for government assistance there need only be the approval of the governor in council. Despite the fact that it would be set up and operated with public moneys, the public through parlia-

ment would have no control over it. What bears a great deal of consideration is the fact that Crown corporations at present are not subject to adequate scrutiny by parliament.

● (2130)

The terms of reference that we have under our present Standing Orders with respect to standing committees do not allow members of this House to scrutinize effectively and thoroughly the activities of the officials of Crown corporations. If the number of Crown corporations is to increase, we must find a better way to scrutinize their activities. These organizations operate under a veil of secrecy endorsed by the government and I can give you an example of this, Madam Speaker. On February 19, in a motion for the production of papers, I asked as reported at page 3362 of *Hansard*:

That an Order of the House do issue for a copy of the Air Canada contract and all additions, revisions and amendments thereto.

The papers were not produced and the reply of the Parliamentary Secretary to the President of the Privy Council was:

The Air Canada contract contains considerable confidential information relating to the organization, operation and maintenance of the Air Canada lines. Air Canada's competitors are not obliged to provide such information or expose their contractual arrangements to similar scrutiny. To place Air Canada in such a disadvantageous position would not be in the public interest. Under these circumstances would the hon. member agree to withdraw the motion?

Unfortunately I was not in the House at that time, but the hon. member for Fundy-Royal (Mr. Fairweather) asked:

How can a monopoly be at a disadvantage?

The item was transferred for debate. I followed the matter up and found that the document, along with all original documents dating back to 1946, and all amendments provided by order in council up to and including the contract year ending 1976, were available at the Public Archives.

If we are to have a proliferation of this type of public enterprise surely the public has a right to know how they operate. The government should grant greater authority to the standing committees, or to some instrument of parliament, to examine a detailed analysis of their operations and activities.

In the last parliament when consideration was being given to the CNR financing bill, members of the Standing Committee on Transport and Communications were frustrated in their efforts to extract information from the officials of that Crown corporation. Their stock answer to questions was that it would not be in their competitive interest to provide the information and that the competitive company which is a private corporation is not obligated to provide the information. This sort of nonsense must stop, Madam Speaker. We must get back a greater degree of control and scrutiny so that the public will know what is happening.

In a document entitled "Policies for Social Conservatives" released on March 1, 1975, Mr. R. C. Quittenton made a statement with which I wholeheartedly agree, when he said:

It is an ironic fact that the owners of the socialized enterprises, the