

Canada Oil and Gas Act

were to expropriate Petro-Canada's efforts there. We operate in the Far East. We are going to be in Tanzania. Those countries do not come in and take our projects away, so I really do not believe in my own mind as a matter of principle that it is fair for us to do it.

Nor am I convinced as a matter of theory that Petro-Canada can operate as an oil company and be as successful as the other individually owned companies in which the management has to report to the shareholders each year and the shareholders can stand up and make that management accountable to them. I think that is a very great incentive for the management to produce results, and I honestly believe that we will not find that in a Crown corporation. We have hundreds of Crown corporations in this country, and we do not find in them the same level of creativity, ambition and energy to get out into the fringe areas that we see in individually owned companies.

That is not to say that individuals are not good people, because in the Post Office the people are all good people individually. The same is the case with the National Harbours Board and so forth. However, the system wherein a Crown corporation has to be accountable to politicians, a cabinet, means that the test does not become efficiency in the industry. The test becomes political as to whether or not it has an adverse effect on elected politicians. It does not matter whether the cabinet is Liberal, PC or NDP; the test is whether there is efficiency. The market economy which developed in the late 1700s and 1800s developed for a very good reason, and the reason is: how do you cull people off the bottom? That goes on even in socialist countries.

The great advantage of the market economy is that if someone comes up with a new idea and can turn out a product better and more creatively than other companies, people take it on; or if it is bought out, that technology which has been developed is taken on. The inefficient drop off the bottom, and that is a continuous rollover process which works very well. The minute there is state intervention, the test for dropping off no longer becomes economic efficiency; it becomes political accountability of a minister and, if I were a minister, I would not want the company to fail either.

Mr. Waddell: Tell that to Bill Davis and Sir John A. Macdonald.

Mr. Thacker: Absolutely.

Mr. Waddell: You would have kicked Sir John out of your party.

Mr. Thacker: I presume the hon. member for Vancouver-Kingsway would want everything to be operated by government enterprise.

Mr. Waddell: I have never said that.

Mr. Thacker: So he does want some mix, then.

Mr. Waddell: I am a Sir John A. Macdonald type.

Mr. Thacker: The hon. member for Vancouver-Kingsway says he is a Sir John A. Macdonald type. That is very interesting; he should certainly be sitting over here.

Mr. Fennell: He is more like the Marxist type to me.

Mr. Rae: After the couple of speeches we have heard this afternoon, you must be joking.

Mr. Thacker: The only thing I am implying is that the New Democratic Party wants to take over the other companies. Members of the NDP do not really want to have a mixed economy. They want to take over Esso and Shell. They do not want to have a real competitor for the Crown agency. I can see why. It is because the Crown agency always comes up second best. The example of CNR and CPR is classic. This Parliament has had to write off hundreds of millions of dollars every few years in order to keep CNR in the black. We do not write things off for the CPR.

Mr. Rae: Like hell. You wrote off the last hundred years to the CPR.

Mr. Thacker: The CPR has not received any benefits from this Parliament other than the usual income tax deductions, which are exactly the same ones—

Mr. Rae: They bought the whole country for five cents in 1880.

Mr. Thacker: The government does not tell Petro-Canada it must operate as an oil company and make or break on its own. That is not what happens. We threw \$1.5 billion into Petro-Canada, and it was not making it as an oil company so we gave it preference in choosing leases in western Canada over other Canadian and non-Canadian companies. That was not quite enough, so we then gave Petro-Canada the right to back in provided it purchased its 25 per cent interest. Even with that the corporation was not doing well, so we now have the flowering of the policy, which is an absolute confiscatory 25 per cent back-in, or theft. We are going to make that company work if it takes every acre of land and if we have to destroy every other company.

Mr. Waddell: You guys are bum boys for Exxon, Mobil and the United States.

Mr. Thacker: The government must not be seen to fail. If the hon. member for Vancouver-Kingsway was in the government, that would be true—

Mr. Deputy Speaker: Order, please. The hon. member for Lethbridge-Foothills has the floor.

Mr. Taylor: You are getting to them, Blaine.

Mr. Stewart: Keep it up, Blaine.

Mr. Cullen: You just made *Hansard*.

Mr. Thacker: Let us look at what might have happened in the oil industry over the last five years. I ask hon. members to