

Government Orders

protect the shareholders who are the taxpayers of Canada?" That is the history.

I say to my hon. friends opposite that Petro-Canada was considered to be an instrument of government policy. I accept that. However, as has also been stated, in 1985, under the direction of this government, we gave it a commercial mandate. The corporation's current structure and financial situation reflect its early mandate and the path of development which was established at the time.

I think it is important to note that Petro-Canada's future will depend to a great extent on its ability to access the financing needed to take advantage of the opportunities presented for commercial growth. I only see access to capital in a very limited way. Where has Petro-Canada's access to capital been? It is done by votes in this House. That is how it is done; by votes in this House where we ask the taxpayers of Canada to put more money into Petro-Canada. That is one way. That is the way it has been done to the present time.

Second, Petro-Canada can make a profit. This year it made a profit of approximately \$86 million. I am pleased that under my stewardship the company is making a profit.

Mr. Peterson: Keep going, Jake. Keep going Jake.

Mr. Bouchard (Roberval): Jim, he knows what he will do in the private sector.

Mr. Epp: I just know that when one looks at that profit picture, relative to capital used to make that profit, there is not one person in this House who would invest on that basis.

Mr. Peterson: So why do you expect Canadians to do it?

Mr. Epp: I will get to that, Jim, and I will want your money too.

That is the second way that we can get money for a company.

Third, we can access the financial market and place Petro-Canada against the test of the marketplace for investment.

In response to my friend from Willowdale, I believe Petro-Canada will be of the type where Canadians will invest in this company.

I have said another thing for a long time, whether I was in opposition or in government, about why foreign ownership in Canada is as high as it is and lower, for instance, in the United States. Maybe this is inappropriate for a cabinet minister, but I have wondered how we can change the tax laws so that blue collar workers, average Canadians, will be able to invest in Canadian industry on the same basis as other higher income Canadians. Why do average income Americans have such a higher percentage of investments in industry in the United States than Canadians have in Canada?

Granted, there are the personal pension plans as well as government pension plans. I understand that. When we consider why there is not more investment in Canadian industry and how Canadians can get a piece of ownership of the country, one of the arguments is to see how we change our tax laws so that average income Canadians make decisions on investments, take the risks and get the benefits of the marketplace. I think we have some lessons to learn in that respect. That is a valid observation when one takes a look at where we can increase ownership in our communities, by Canadians, in Canadian industry.

Going back to Petro-Canada and government policy, we obviously have relied more on competitive markets for decisions regarding energy supply, demand, pricing and trade. We consider that competitive prices provide the most appropriate and effective signals to both investors and consumers. Experience has proven to us as Canadians, that a market-oriented approach is better, both in economic terms and in terms of federal-provincial relations, than policies which emphasize heavy reliance upon regulation and government intervention.

My friend opposite made an interesting point. He said what we had to do was make sure that we had control of the oil and gas sector because it is "a strategic resource". I presume, partly because I come from Prairie Canada, that this is a very important issue for me.

When we joined Confederation there were only three provinces that were not deemed worthy of ownership of natural resources. One was my Province of Manitoba. When we joined in 1870 we were not deemed worthy. In fact, it is only this year that we have had ownership of resources for as long as we did not have ownership of our resources, 60 years.