

reason they heckle is that it takes their minds off their discomfort. We saw another example of that a moment ago when I accused the House leader for the opposition of sharing the view of the Leader of the Official Opposition. I can understand his discomfort because the Leader of the Opposition said yesterday that they were going to be moving out of Petro-Canada as an instrument.

**Mr. Baker (Grenville-Carleton):** That is right. He said that.

**Mr. Gillespie:** That is clearly the position of the opposition party. They do not recognize the need for a policy instrument for Canadian energy security.

**Mr. Baker (Grenville-Carleton):** We do, though, Alastair.

**Mr. Gillespie:** They would destroy the one significant policy instrument. I believe that Petro-Canada has a very important role to play from the point of view of importing foreign crude, whether it be Venezuelan, Mexican, or perhaps in the not too distant future, Norwegian. Petro-Canada has also been involved in discussions with Statoil, which is the Norwegian national oil company. This makes sense because Norway is a producing nation with a national oil company and is also a NATO ally of ours. My colleague, the Minister of National Defence (Mr. Danson) has discussed this aspect, this dimension of security with the Norwegians.

I believe that a Canadian national oil company working with the Norwegian oil company can help to develop and preserve Canadian energy security. I believe that there are a number of other opportunities where the Canadian national oil company can become effective as an importer of crude for Canadian refiners in providing Canadian energy security. However, I do not believe that the particular amendment which has been placed on the table by the New Democratic Party will advance this particular important dimension of Petro-Canada, for the reasons which I have already stated.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, the minister indicated his willingness to answer questions before he concluded his speech. I want to ask him about his statement that Petro-Canada has the power to do the things which have been proposed in the amendment put forward by my colleague, the hon. member for Sault Ste. Marie. That proposal calls for Petro-Canada to be the sole importer of oil. In view of the fact that the national petroleum corporation act under which Petro-Canada was set up gives Petro-Canada the power to be an importer of oil but not the sole importer of oil, what is the basis for the minister's contention that the power to make Petro-Canada the sole importer of oil already exists on the statute books of this country?

**Mr. Gillespie:** Mr. Speaker, the legislation creating Petro-Canada gives it the right, as the hon. member has said, to import foreign crude into Canada. I am not sure if we are talking about the same act, but the hon. member nods and I gather that he was referring to the same one. If the hon. member would read that act he would see that the powers are there to import foreign crude into Canada. I believe that those

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powers may increasingly be used. It will depend a great deal on the international situation and the degree to which the refiners in Canada establish a direct buying relationship with western hemisphere crude sources.

I did make it quite clear in my remarks before the committee that I did not see at the present time that it would be particularly useful to contemplate Petro-Canada—

**Mr. Symes:** Answer the question.

**Mr. Gillespie:** —negotiating for all the oil—and I made reference to that in my remarks a few moments ago—from, let us say, Middle Eastern sources, because I believe that there is an advantage in being able to pool and therefore to hedge our bets with respect to a very unstable part of the world. I am not sure whether we are on exactly the same point, but I think it is quite clear that Petro-Canada does have substantial powers, that it can be directed by the minister to enter into the importing of crude for use in Canada and by Canadian refineries.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, I would like to ask one more question. The minister has now conceded that Petro-Canada only has the authority, under the legislation which set it up, to import oil if the government so decides and, if the legislation which is now before the House passes, if the allocation board so decides. Could the minister tell the House where the authority to make Petro-Canada the sole importer of oil is contained in any legislation, if the minister insists on rejecting this amendment proposed by the hon. member for Sault Ste. Marie?

**Mr. Baker (Grenville-Carleton):** It isn't; that is the point.

**Mr. Gillespie:** Mr. Speaker, I am not going to debate the fine print with the hon. member. Perhaps this involves a legal opinion. I would draw his attention to the fact that under the heading "Objects, Powers and Duties," section 6(c) of the Petro-Canada Act reads as follows:

—(c) to import, produce, transport, distribute, refine and market hydrocarbons of all descriptions;—

● (1650)

I would underline the word "import". Section 7(1), which deals with powers, reads as follows:

The corporation may do such things as it deems expedient for or conducive to the furtherance of the objects of the corporation, within and outside Canada, and, without restricting the generality of the foregoing, the corporation may,—

Then I would draw the attention of hon. members specifically to subsection (f):

—(f) enter into any arrangements with any government or authority that seem conducive to the attainment of the objects of the corporation and obtain from any such government or authority any rights, privileges and concessions, and carry out, exercise and comply with any such arrangements, rights, privileges and concessions;—

I think it is clear that there are very substantial powers vested in the corporation, but I would want to seek a legal opinion on whether the fine legal point that the hon. member makes is a valid one.