

*Petro-Canada*

the taxpayers' money foolishly. I can imagine that at night he dreams of getting on his white charger and heading across the country with a joint committee, not to discuss the facts, but to foul up the system of government which we enjoy in Canada.

**Mr. Foster:** On a point of order, Mr. Speaker, I do not think the hon. member should really be criticizing my hon. friend from Spadina for referring something to the Standing Committee on National Resources and Public Works, especially the PetroCan bill, because the PetroCan bill is the work of that committee and, incidentally, he should realize that his leader, the Prime Minister (Mr. Clark), has appointed many, many committees—more than is possible for this House of Commons—

**Mr. Deputy Speaker:** Order, please. Again, this is a point of debate. The hon. member for Brampton-Georgetown.

**Mr. McDermid:** Mr. Speaker, that point is well taken and I am getting to it. Here is what the PetroCan act says:

In the exercise of its powers the corporation shall comply with such policy directions as may from time to time be given in writing by the Governor General in Council.

That is, by the government. Right? What the hon. member has proposed is that a House of Commons standing committee make the policy for Petro-Canada, not the government. Well, read his amendment. It is all there. He proposes a committee which would make policy decisions for the government, the committee being in this case the Standing Committee on National Resources and Public Works. That is completely unrealistic. Why do we have a government? Why do we have a cabinet? Why do we not just govern by committee?

● (1740)

I will refer to the second proposal contained in the bill, to answer the hon. member's question further. The act reads:

No law relating to the insolvency or winding-up of any body corporate applies to the corporation and in no case shall the affairs of the corporation be wound up unless Parliament so provides.

The learned member has brought in an amendment which says:

No law relating to the insolvency or winding-up of any body corporate applies to the corporation and in no case shall the affairs of the corporation be wound up, unless a Special Joint Committee of the Senate and House of Commons, following public hearings held by it in at least one place in each province and territory of Canada, recommends that such law apply or that the affairs be wound up, as the case may be.

The second proposal contained in Bill C-212 would change that section 28 drastically, and I think the hon. member will admit that. Instead of coming to Parliament for a wind-up of the corporation, the hon. member for Spadina would again have a committee make the decision, not Parliament.

A joint committee of the Senate and House of Commons would travel the length and breadth of this country holding hearings and spending taxpayers' money and, if you can imagine, have the power to hold only one meeting per province or territory, and then the committee would be allowed to make the decision, not Parliament. Well, you read it.

[Mr. McDermid.]

This is another example of how the Liberals would abuse the power of Parliament. This is an example of the philosophy of the Leader of the Opposition (Mr. Trudeau) that members of Parliament are nobodies: "Do not leave the decision-making power with Parliament, give it to a committee." This government plans to strengthen Parliament, not weaken it, as proposed by this ill-conceived Bill C-212.

If the hon. member were frank with this House and the people of Canada, this is a tactic—and a poor one at that—to prevent a decision on Petro-Canada. The Liberals and the NDP have used Petro-Canada to try to smokescreen some of the real problems which face this government and this country. They are trying to convince Canada that Petro-Canada is the answer to all our energy problems. It is unfortunate that the Petro-Canada issue has received so much attention in the last few months as compared with the far more serious problems of future energy supplies and the size of our trade and fiscal deficits.

There is a lot of confusion about Petro-Canada these days. I have spent a great deal of time looking into the Crown corporation, and it is time to state the hard, cold facts.

The original mandate of Petro-Canada was to explore and develop new sources of oil and gas supply for the country in areas where the oil companies were not prepared to gamble. Another key role Petro-Canada was supposed to fulfil was to import, transport, and refine oil and gas. This is a very difficult thing to do, as Petro-Canada does not own a ship or refinery.

It was supposed to give Canada security of supply and reserves. Petro-Canada bought Pacific Petroleum, a company which was, by the way, 37 per cent Canadian owned. The government bought Canadians out with their own money. Did this result in any additional reserves being made available to Canadians? No. These reserves were already secure to Canadians. Security of supply is achieved when new oil reserves are found by hard work and expertise. They are not found by buying companies which already have these reserves. There are 700 oil companies in Canada, not five, as the hon. member from out west suggested.

The members of the opposition parties said that with the formation of Petro-Canada we would have a window on the oil industry. That is what we heard. It is nonsense. The Department of Energy, Mines and Resources employs 4,000 people, at an annual cost of \$160 million, to observe every aspect of the oil industry. Governments control oil prices. They control wellhead gas prices, exports, rate of production and so forth. Petroleum monitoring legislation compels all oil companies to provide volumes of information to the government. The oil and gas industry is probably the most highly regulated industry in Canada, so Petro-Canada is not required to do the same job that the Ministry of Energy, Mines and Resources is doing.

Petro-Canada was created by placing an additional tax burden on Canadians, \$800 million in cash. This money comes out of the pockets of Canadians in the form of taxes which they otherwise would not have had to pay. The taxpayers also have the ultimate liability of \$1.5 billion of debt incurred by