

Government Orders

The Acting Speaker (Mr. Paproski): Is there unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Members have heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

GOVERNMENT ORDERS

[*English*]

PETRO-CANADA PUBLIC PARTICIPATION ACT**MEASURE TO ENACT**

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)) moved that Bill C-84, an act respecting the privatization of the national petroleum company of Canada, be read the second time and referred to a legislative committee.

He said: Mr. Speaker, it is a great privilege for me to introduce legislation which will authorize the government to sell shares of Petro-Canada to the Canadian public.

Before I speak to the legislation itself, I would like to remind hon. members of the origins of this government's privatization program. In his 1985 budget, the Minister of Finance announced that the government would take a critical look at its Crown holdings. Those companies that no longer required government ownership to fulfil a public policy role would be considered for privatization.

Since that time, privatization has become a major component of this government's economic agenda.

Canada is not alone in realizing the value of privatization and helping to redefine the role of the state. Indeed, governments throughout the world are questioning the methods of the past.

This is no more obvious than in eastern Europe where the long awaited benefits of state ownership are proving to be too costly and too elusive. Interventionist ideology is being abandoned in favour of the simple common sense of the market system. In these countries, privatization is viewed as a necessary step in achieving this important objective.

A number of these companies are looking to Canada for advice in this field. We have responded to requests for guidance from Australia, New Zealand, Venezuela, Senegal, Tunisia and Romania. Officials of my department have recently been in Poland and Hungary actively supporting the privatization efforts of those governments.

Canada is honoured to be of assistance to these countries in their privatization efforts. At the same time, we are mindful of the important work that we need to undertake right here at home.

[*Translation*]

Mr. Speaker, Petro-Canada is the most important integrated oil company in Canada that belongs to Canadians, and Bill C-84 intends to make sure it stays that way.

The corporation is present in all cities and towns in this country. To many Canadians, however, Petro-Canada is not just a place where they sell gas. It has demonstrated its commitment through a host of activities, ranging from fitness and amateur sport to improving the environment. The corporation has been deeply committed to promoting national pride. Remember the great Canadian rally, "Share the flame", that took place in 1988 at the same time as the Calgary Winter Games.

Petro-Canada is involved in this type of activity, and I am sure its involvement will continue, not because of any government directive but because it is appropriate for a company to express its commitment to serving Canadians.

[*English*]

Petro-Canada is part of a competitive and dynamic industry. If it is to remain competitive, we must ensure that the company has a reliable source of new equity. Instead of forcing the company to continue to rely on the taxpayers of Canada for that equity, privatization will give Petro-Canada direct access to an alternative source of capital, the individual investor.

Petro-Canada will benefit from this development. The company will gain a measure of financial flexibility that has always been enjoyed by its private sector counterparts and competitors.

But there are some who say that we would be giving up too much in the process.