

reserves that we needed so badly to ensure that Canada stayed as an energy self-sufficient country.

I want to make sure that no one has any doubt about the importance of the price of oil here. It may be just my own personal view, but it is my view that the price of oil is the reason that the Canadian dollar has remained as high as it has on world money markets over the last few weeks. It is my view that the world views Canada as being energy sufficient at this time, and that as a result our Canadian dollar is able to more than hold its own in the world market.

How did Canada get into this oil sufficient status? One of the reasons is the accomplishments of the Canadian oil industry. We cannot underestimate its importance as a driving force in ensuring that we have a supply of reasonably priced oil for Canada.

There were other reasons for that condition. One of them was the off oil programs of the late seventies and early eighties. We moved consumers in Canada from oil to natural gas and from oil to electricity. We all paid for that. Sometimes it was simply good consumer choices, but we moved consumers away from oil. Therefore, we now consume less oil than we would have otherwise done.

We offered exploration incentives, and we expanded the market for western oil and gas farther east into Montreal. I have to point out that Petro-Canada played an integral role in every one of those reasons. We would not be here now if it were not for that. Maybe there could have been another vehicle, but it was not another vehicle. It was Petro-Canada. It did not do it by itself, but it was a player. It played a role.

We would not be in Hibernia now if it were not for Petro-Canada. Read me the story. Tell me how it developed. Tell me how Hibernia developed. Petro-Canada was there right from the beginning.

I want to make a comment about a statement made in an energy discussion paper that was published recently on the part of the government. It states that market forces should be allowed to allocate resources and determine prices for energy. That sounds like an economic class discussion, but it assumes that the marketplace is in equilibrium. That is the question that I really want to raise.

### *Government Orders*

Do we ever have a market that is in equilibrium? Do we ever have a market in oil and in energy that does not have some form of intervention? I am going to suggest that it is pretty rare that we do not. We have intervened physically in the Middle East, and we have reasons which we state diplomatically for doing so.

One of the big reasons we are there is to protect the security and stability of the world oil supply which is based, to a large measure, in the Saudi Arabian peninsula. We have state oil companies intervening in the marketplace all over the world right now or the OPEC cartel. That is what it is. It is a cartel. It fixes prices. It makes the market. It does not throw a coin up in the air and wait for it to fall. It fixes a price. That is not marketplace. That is a cartel at work.

Clearly in our own country we were prepared to intervene in a Texaco matter in relation to price competition. It was an oligopoly when Texaco sold to Imperial, which sold off those eastern Canadian assets.

I submit that any policy that simply turns over the energy well-being of this country to the marketplace is blind and is unaware of what Canadians want and what they need. The market to be sure is the driving force. We cannot operate against it, counter to it, but someone has to be in charge for Canadians. Someone has to monitor and fine tune the system, and Petro-Canada was our vehicle to accomplish this.

• (1620)

A word about Canadianization. The figures that have historically been generated in this regard show that after Canada decided that it wanted to have 50 per cent control in the Canadian oil and gas sector, we moved from a figure of 26.1 per cent ownership in 1980, and not control, to a figure of 48.2 per cent in 1985. These were five or six good years of Canadianization.

Then, the Conservative government was elected in 1984, and after 1985 the figure falls markedly to where in 1989 we are back—not all the way back—to 44.9 per cent. There was a little blip there because when Imperial took over Texaco, Imperial was partly Canadian owned and therefore the numbers went up just a bit.

However we are falling back on that objective. The government has obviously abandoned that objective. Canadianization is no part of the government's goal here, but I think it is part of the goal of Canadians.