

on their lands that in fact they can qualify for the grants available.

These moves are important. I hope the parliamentary secretary will indicate how much progress has been made. We are told that 71 per cent of our petroleum industry is foreign owned and 82 per cent is foreign controlled. If these press reports are accurate, this means we are starting to move toward greater Canadianization of our petroleum industry. I hope the parliamentary secretary will be able to confirm this in his response to my comments tonight.

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I am pleased that the hon. member raised the question of Canadianization in the petroleum industry since it is a principal feature of the National Energy Program tabled in the House last autumn.

I want to note, as the hon. member has already done, that the acquisition of Petrofina by Petro-Canada and the recent move by Dome Petroleum toward a greater degree of Canadian participation represent major progress in the program of Canadianization, a program which carries broad support across this country. In asking the question a few days ago, and in pursuing the matter this evening, the hon. member referred to possibilities of further Canadianization moves that can be anticipated.

● (2215)

Those moves must necessarily remain within the terms of commercial confidentiality during this stage of discussion and negotiation, but I share his expectation that in the time ahead we will see a greater degree yet of Canadianization in this dynamic sector of our economy.

In that regard, I want to emphasize the willingness of the government to assist petroleum companies in meeting the Canadianization objectives. In that context, I should like to refer to the statement made yesterday by the minister which set forth some details about the ownership criteria to qualify for the petroleum incentive program. The minister announced yesterday that the incentives will significantly help companies meet our Canadianization objectives. The hon. member may well be aware that the phasing-in approach to the program will ensure that more companies are immediately eligible for the maximum incentive payments for exploration and development, particularly in the so-called "Canada lands", or the frontier areas. These new regulations will give the companies more time to increase their Canadian ownership rate, a measure which, in some respects, is similar to that now in place in Australia.

I refer to these and other provisions as indications of the desire of the government to facilitate the move toward Canadianization of a number of corporations in the petroleum sector, and, indeed, of the importance the government places on this objective. I do not need remind the House that the degree of foreign control in the industry has been greater than in other industrialized countries, and that the government is committed

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to ensure a greater degree of Canadian control in the petroleum industry.

THE CONSTITUTION—PROPOSALS MADE TO PROVINCE OF SASKATCHEWAN

Hon. Ray Haatyshyn (Saskatoon West): Mr. Speaker, I was very interested in the remarks of the hon. member for Algoma (Mr. Foster), and his question with respect to the energy policy. It is my understanding that members traditionally use this opportunity to express their concern and dismay over the inadequacy of answers which have been given during question period. I can fully understand why the hon. member for Algoma would ask that question.

My question has to do with the Constitution. I would really appreciate the opportunity, following the speech by the hon. member for Lincoln (Mr. Mackasey), of a Liberal member speaking on this issue. It appears that the seals are silenced; the Liberals are sitting back with their lips zipped, not participating in this debate leaving it to members of the House of Commons on the opposition side to speak. Maybe by this device of asking a question in the course of the late night show we can get some Liberal to stand in his place and talk about the Constitution.

This matter has preoccupied the Prime Minister (Mr. Trudeau) and the Liberal Party. My question is very specific. I asked the Minister of Justice (Mr. Chrétien) in the House what in the world was going on in respect of his negotiation with the province of Saskatchewan, trying to bring Premier Blakeney and the province of Saskatchewan on side in this constitutional debate?

● (2220)

This is a very serious debate in the course of our country's history. I do not deny that for a moment, but I think this kind of debate, discussion and negotiation requires candor on the part of the government. The government should keep the people of Canada advised on what it is prepared to do and how far it is prepared to go in order to win political support for this package.

While we hear many statements from government spokesmen, particularly the Minister of Justice, to the effect that these are fundamental principles which will be entrenched in the Constitution by way of a charter of rights, the government has demonstrated in the course of its activities during this debate that it is prepared to be so flexible as to do almost anything to receive political support in order to get the package through.

I think it was not unfair for me to ask what is happening with the province of Saskatchewan. There was no secret. Everyone across the country knew that the attorney general of the province of Saskatchewan was involved with senior officials of the Department of Justice. Offers were made. These negotiations went on for a full week while the committee was sitting and considering constitutional proposals. The Premier of Saskatchewan raised two questions at the constitutional

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committee in respect of his requirements. One question was in respect of a definition of ownership of resources, and the second was in respect of an amending formula and referendum provisions. He was opposed to the government's proposals in those respects.

The negotiations went on. I asked what offers were being made. The Minister of Justice refused to answer. All of a sudden, once the negotiations broke down, we found a line was given to the press. The press was being fed different versions of the story. What did we read in the press of February 10, 1981? Spokesmen for the federal government, one Edward Goldenberg, an aide to the Minister of Justice, and Senator David Steuart, a former Saskatchewan Liberal leader and a political opponent of Premier Blakeney's New Democratic Party government, said that the government offered Saskatchewan all it asked. That was the word being fed to the press. That was the contrived press manipulation this government is so good at and attempts to use so often.

The next day there was a report from Mr. Romanow, the attorney general of the province of Saskatchewan. He said the federal government never offered to meet the bottom line of Saskatchewan's constitutional demands. I know it is not a very parliamentary term, but if one party says one thing and another party says exactly the opposite to what the Liberal spokesmen were saying, I would say the other party was accusing the Liberal spokesmen of not speaking the truth.

I simply want to know what the government was doing in the negotiations. Is it in a position now that it is still prepared to negotiate with the province of Saskatchewan? Will the parliamentary secretary stand in his place and explain, after all this press speculation and press manipulation, precisely what game this government is up to in respect of its negotiations with the province of Saskatchewan? I come from Saskatchewan and I am interested in knowing what is happening to my province. The people of Canada want to know how far the federal Liberal Party is prepared to go in order to get this package through.

I very much look forward to the parliamentary secretary's response, which I know will not equivocate. It will answer this question without any attempt to deviate from the facts of the case, and it will let us know exactly what was offered and what is the true story in this instance.

Mr. D. M. Collette (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am very glad to answer the hon. member for Saskatoon West (Mr. Hnatyshyn) this evening in respect of the particular points he just mentioned in his question. First I should state with regard to the strategy of dealing with the constitutional debate, I thought it rather ironic that the Conservative Party, which decried the lack of opportunity to speak before Christmas when the resolution was in the House, would now complain that there are too many opportunities to speak. I would like to point out to the

hon. member that the interventions from this side of the House cannot and will not be judged solely by their quantity but mainly by their quality.

Mr. Hnatyshyn: Now for the serious part of the answer.

Mr. Collette: On the particular point at hand, the record is quite clear. On February 5, the minister gave what I thought was a very clear response to the hon. member for Saskatoon West. The deliberations with regard to all provincial governments are a matter of public record. Ever since the proposed resolution was made public on October 2, 1980, the government has been prepared to discuss with any province any changes they may wish. Certainly I would say that the government is still prepared to entertain any further suggestions on the part of anyone, whether it be the opposition in the House, provincial governments or any other individuals. Notwithstanding the fact that the committee stage has passed, this matter is still before Parliament. The final decisions will not be made until the final vote is taken in this chamber.

• (2225)

Premier Blakeney has said several times since October that he was not going to take any position on the package until it was clear what its final contents would be. He appeared before the special joint committee on December 19 and publicly submitted his views on the resolution. He suggested a number of changes, some of which have been adopted.

For example, and I want to be quite candid with the hon. member, Mr. Blakeney proposed a referendum rules committee. This request has been met in Sections 44 and 50 of the resolution before us. Secondly, he and Premier Hatfield suggested a change in the equalization provision. This change is now reflected in the text of Section 34. He urged the adoption of provisions confirming or transferring authority over resources to the provinces. The text supported by him has been adopted, except it does not give the provinces jurisdiction over international trade, as he advocated. The Minister of Justice (Mr. Chrétien) has been equally strong in his point of view that there will be no change in the government's position in respect of the provincial role in international trade and resources.

The government has discussed all these matters with Mr. Blakeney and his representatives from time to time, and after considering all the factors has made recommendations to the committee. This is reflected in the resolution now before the House, and it is up to Canadians, and the people of Saskatchewan in particular, to judge the actions of Mr. Blakeney for what they are, and whether he is acting in the best interests of the people of Saskatchewan and in the best interests of Canada.

Mr. Deputy Speaker: A motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m.

At 10.27 p.m. the House adjourned, without question put, pursuant to Standing Order.