

*Oral Questions*REASON ANNOUNCEMENT OF PURCHASE OF PACIFIC
PETROLEUMS SHARES NOT MADE IN HOUSE

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, there will still be, obviously, an effect on Canada's credit. My final question is to the Minister of Energy, Mines and Resources. Parliament was ignored in this transaction which calls for a financial commitment of the taxpayers of this country for a back-up of \$1.4 billion.

Mr. MacEachen: Wrong.

Mr. Lawrence: The agreement was signed on Friday morning. Trading was stopped Thursday night. The minister left this House on Friday and made the announcement in Toronto at five o'clock Friday night. What possible justification was there for the announcement not being made in this House, so that it could at least have been sensibly discussed in this House on Friday afternoon?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member's facts are not accurate. Trading was not closed off on the Canadian exchange until very early on Friday morning. A few shares did, in fact, trade that morning, but it was closed just as soon as it looked as if it was going to be possible during the course of Friday to put together a very significant transaction.

As the hon. member will undoubtedly understand, this matter had to be handled with very considerable confidentiality, in view of the values involved, and that is the reason the stock exchange ceased all trading. During the course of that day, the financial arrangements were put into final form and the final agreement for purchase and sale was negotiated and settled among the partners. That did not take place until very late on Friday. As a matter of fact, I was present for the final ceremonies, and that was at five o'clock on Friday.

REQUEST FOR TABLING OF FINANCIAL REPORT ON PURCHASE
OF PACIFIC PETROLEUMS SHARES

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I would like to put a question to the Minister of Energy, Mines and Resources.

● (1432)

In light of the answers we received, that it is an independent Crown corporation and the government and the taxpayers of Canada have already bought \$500 million into this company, and in light of the fact that the stock was trading on the stock exchange at \$45 and they paid \$65 a share, and in the last few weeks there was an increase by \$7.50 because of rumours of this takeover, I ask the minister—because he has glossed over the truth today—if he would be prepared to table in the House the financial report of Pacific Petroleum on this deal and on the agreement between Phillips Petroleum and Petro-Canada, so that the Canadian people and this parliament will know the real facts from the documents in question, rather than from the rhetoric of the ministers?

[Mr. Chrétien.]

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member makes much of the fact that this is a government-financed operation. It is not. This deal is a commercial transaction which has been financed without any government assistance, without any government funds and without any government guarantee.

Some hon. Members: Oh, oh!

Mr. Gillespie: This a commercial transaction which has been financed by a normal commercial financial instrument—

An hon. Member: Guaranteed by you.

Mr. Gillespie:—and it will have the effect of reducing the demand or the requirement for government assistance in the future, because this corporation was highly profitable and has considerable growth possibilities.

As to the question about the tabling of certain documents, I would be very pleased to consider that suggestion. As the hon. member might know, the board of Pacific Petroleum will be dealing with the transaction later this week. There has already been consultation between the senior officers of Petro-Canada and those of Pacific Petroleum and I am told that a meeting will be held later this week, at which time the board of Pacific Petroleum will consider that company's position on this question.

Mr. Woolliams: I have one further question, Mr. Speaker. In light of that fact, would the minister be prepared to make a statement on motions so that we might have an opportunity to ask questions in reference to this deal, particularly in view of the fact, as I have said, that the Government of Canada and the taxpayers have already put \$500 million into this Crown corporation and that the stock, which was trading on the stock exchange at \$45, is now selling at \$65, not only for 48 per cent but, as I understand the deal, also for the remaining 52 per cent?

Mr. Gillespie: I believe that that might be a useful suggestion and I will be pleased to consider it. As I have indicated to the hon. member, there is an important meeting this week and I think it should take place outside the political arena, if the hon. member is agreeable. In any event, I will be pleased to discuss the suggestion with the House leader.

ADVERSE REACTION BY ALBERTA LIBERAL PARTY LEADER TO
PURCHASE OF PACIFIC PETROLEUMS SHARES

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is directed to the same minister. In view of the fact that the leader of the Liberal party in Alberta, Mr. Nick Taylor, was angered at this purchase and said that the purchase is a waste of the taxpayers' money, can the minister state what his reaction is to that statement?