

*Oral Questions*

for no good purpose whatsoever. Would the Minister not agree that if there is \$350 million worth of public funds available for spending it might be better spent to reduce the \$1.7 billion increase in UIC premiums for which he called, to use the money directly for job creation, or to use the money to decrease taxes on petroleum products and therefore fight inflation? In other words, would he not agree that any reasonable person could come up with a priority list of dozens of ways in which this money could be spent to benefit Canadians, particularly those Canadians who are unemployed at this point in time?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, the Hon. Member does not seem to realize that the meaning of this purchase will be that, instead of shipping dividends and profits abroad forever in the future, the profits from these operations will stay in Canada and will benefit Canadian people. In that sense indeed Petro-Canada is ours, and in that sense it is a very good decision.

As far as the decision of Petro-Canada to finance this purchase out of borrowing by Petro-Canada, not by the Minister of Finance or the Government itself, is concerned, it is borrowing on the markets which will be repaid out of the profits resulting from the operations of BP being carried on in the future by Petro-Canada. It is no charge on the Department of Finance, the Government or the budget of the Minister of Finance. It will be a self-financing operation.

**Mr. Andre:** The economic knowledge of the Minister of Finance seems to be lacking when he suggests that somehow we save on foreign exchange by sending \$350 million out of the country to follow the \$1.7 billion that went out on the Fina purchase. Saving money like that will have us in the same state as Argentina in no time at all.

## IMPACT OF BORROWING

**Mr. Harvie Andre (Calgary Centre):** Madam Speaker, Canadians are presently paying 3.6 cents per gallon in tax to pay for Petro-Canada's purchase of Fina. Would the Minister not agree that if Petro-Canada has the capacity to take on an additional \$350 million worth of debt, then this tax on consumers could be removed, thereby helping in the fight against inflation which the Prime Minister said is the Government's No. 1 priority, in his TV serial two weeks ago? Has the Government changed its mind again and it is no longer a priority? If it is, why will he not use that borrowing authority of Petro-Canada to reduce the impact of these silly taxes on the consumers?

● (1420)

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, first I would like to tell the Hon. Member that he should check his own economics. The impact of this borrowing will be very different, whether the borrowing is done abroad by Petro-

Canada or whether it is done in Canada. I suggest that the Hon. Member check with Petro-Canada to find out where its borrowing is going to take place.

**Mr. Crosbie:** You are an expert in borrowing.

**Mr. Andre:** And you never have to pay for it?

**Mr. Lalonde:** The Hon. Member will know that if the borrowing is done abroad it will not have the same impact at all as the one he mentioned.

With regard to the second point, I would like to remind the Hon. Member that Petro-Canada will be able to achieve this purpose, even after a significant reduction in its equity investment by the Government of Canada contained in the cuts I announced the other day in the energy envelope. Over \$200 million of that will come from capital investment by the Government of Canada in Petro-Canada.

Petro-Canada is supported by the people of Canada. It is doing very well. We are taking steps to ensure that it is running its affairs like a Canadian business corporation that is supported by the people of Canada and will continue to be supported by the people of Canada in spite of the opposition, well known, of the Conservatives.

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## LABOUR CONDITIONS

## WORK STOPPAGE AT WEST COAST PORTS

**Mr. Pat Nowlan (Annapolis Valley-Hants):** Madam Speaker, in the absence of the Prime Minister my question is directed to the Minister of Transport. It involves another economic question which is having a disastrous impact on Canada, namely, the continued stoppage and plugging of ports in British Columbia. In view of the Prime Minister's commitment on Friday that if this matter was not resolved by Monday night:

—this Government would ensure in some way that the strike would be ended, and that is still our intention.

—could the Minister tell us whether it is the intention of the Government to honour the commitment made by the Prime Minister last Friday to bring in legislation today so that by Monday night legislation could be through this House enabling the Port of Vancouver and the other ports in the West to operate? The parties could then go back to the bargaining table or do whatever they have to do, regardless of the stoppage and the ports would not remain plugged.

**Hon. Jean-Luc Pepin (Minister of Transport):** Madam Speaker, the answer is really in the question. My hon. friend referred to the deadline given to the parties by the Prime Minister to resolve this conflict, to be until tonight. If I remember correctly, tonight means until twelve o'clock. If the strike is not resolved before twelve tonight, my hon. friend can expect to have decisions tomorrow.