

Mr. Sharp: As Your Honour has said, we are resuming the budget debate tomorrow and this would be an excellent topic for discussion at that time.

Mr. Stanfield: With respect, Mr. Speaker, I did not ask the Acting Prime Minister for a lengthy statement. I simply asked him whether the government would take this into consideration.

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THE CANADIAN ECONOMY

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—INQUIRY AS TO AGREEMENT—GOVERNMENT ACTION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources, who seems to have difficulty being in his place on those days when he is on the roster, I would like to direct a question to the Acting Prime Minister with reference to the negotiations which have been going on between the Home Oil Company and Ashland Oil Incorporated of Kentucky regarding a takeover of the former by the latter. Can he give the House any information on whether or not an agreement has been reached and what is the nature of that agreement?

Hon. Mitchell Sharp (Acting Prime Minister): I am sorry, Mr. Speaker. Could the hon. member repeat the question?

Mr. Douglas (Nanaimo-Cowichan-The Islands): I am asking the Acting Prime Minister if the discussions which have been going on for some time between the Home Oil Company and Ashland Oil Incorporated of Kentucky have been completed and if any agreement has been reached?

Mr. Sharp: Mr. Speaker, I am informed that the discussions are continuing and that no decision has yet been reached.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, on February 2, as recorded on page 2976 of *Hansard*, I asked the Minister of Energy, Mines and Resources "whether the government is prepared to exercise the same powers with respect to Home Oil Company remaining in Canadian hands as were exercised by the government with respect to Denison Mines." The minister replied at that time:

I cannot speak for the government in that regard at this time. That would be a matter for the government to decide.

Since that was some days ago I want to ask the Acting Prime Minister if the government has looked into this matter and if he can now assure the House that the government is prepared to exercise all the necessary powers, including asking Parliament for the necessary legislation, to prevent the takeover of Home Oil Company of Calgary by Ashland Oil Incorporated of Kentucky?

Mr. Sharp: Mr. Speaker, I cannot give that undertaking. As the minister has said, discussions are going on

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now among the various parties, including the minister, to do everything possible to see that this company remains in Canadian hands. As the hon. member knows, in the case of Denison the federal authority had declared that uranium was a work for the general advantage of Canada. In that case there was no problem with respect to constitutional authority. I do not think the situation is quite as clear with respect to oil.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the Acting Prime Minister if I am to take from his remarks that the government considers that the retention in Canadian hands of a share in the oil industry, which in the foreseeable future will probably be the largest industry in Canada, is not just as important as keeping control of part of the uranium industry in Canadian hands?

Mr. Sharp: Mr. Speaker, as the hon. gentleman knows, I think there might be some resistance on the part of the provinces if the federal Parliament were to take complete jurisdiction over oil. That, it seems to me, is the difference between the uranium case, in which many years ago a declaration was made that uranium is a work for the general advantage of Canada, and the kind of situation that now exists in the oil industry.

PROJECTED TAKEOVER OF HOME OIL BY UNITED STATES COMPANY—ABILITY OF OTHER CANADIAN COMPANIES TO COMPETE IN BIDDING

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister. Is it the position of the government of Canada that under existing Canadian tax laws it would be possible for another Canadian company to compete with a United States company in acquisition of the control of Home Oil Company or any similar company? Is the government pretending that the Canadian company would be on any grounds of equality in connection with such negotiations?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, Your Honour may recall that the same question was directed to my colleague, the Minister of Finance, last week. I have nothing to add to what he said then.

Mr. Stanfield: Why does the minister not want to answer the question?

Mr. Woolliams: I thought the Minister of Energy, Mines and Resources said the opposite.

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[Translation]

OIL

POSSIBLE STOPPAGE OF OFFSHORE SUPPLY—CONTINGENCY PLANS FOR EASTERN CANADA—FEASIBILITY OF CONSTRUCTING PIPELINE

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I had a question I wanted to direct to the Minister of Energy, Mines and Resources but since he is not in attendance, I shall direct it to the Acting Prime Minister.