

corporations to move is restricted. We have these public rights in Canada, as well, under different laws, but I think hon. members would agree these should be used only as a last resort if the intention is to prevent a private transaction which is carried on in good faith and which is perfectly valid under existing legislation.

The leader of the NDP suggested the government should "bankroll" a consortium of small Canadian companies to buy up Home Oil. Well, the hon. member for Edmonton West (Mr. Lambert) who is learned in the rules as well as in the practice, made a valid point when he commented that this would be difficult under our law. The leader of the NDP did not refer to any specific legislation under which we might do this. I am not personally aware of any legislation by means of which we could bankroll a consortium of small Canadian companies.

An hon. Member: How about the IDB?

Mr. Greene: A third suggestion made was that Panarctic should acquire this company. Well, only 45 per cent of the shares of Panarctic are government-owned. The other 55 per cent are in the hands of private shareholders. The company has a board of directors which operates independently of government. To the best of my knowledge, and I can say this without disclosing any confidences, the directors have not indicated any interest in Home Oil. I do not know why. I do not believe the government has the right to intimate to Panarctic—

An hon. Member: It has a 45 per cent right.

Mr. Greene: It must be permitted to operate with the knowledge of the directors in the best interests of Panarctic. Had they been interested in Home Oil this might have been a possible avenue. However, to date the proceedings have gone in such a direction that I have been confident. I hope my confidence is not misplaced. I do not believe it is. I could be naïve but I do not think so in this particular instance. I have been confident from the nature of the discussions I have had both with the vendor, Mr. Brown, with the Ashland Company and with potential Canadian buyers that we can work this out together in confidence, because that is the only way in which such transactions can be carried out, so as to maintain this as a Canadian company without any legislation being passed which has a retroactive aspect to it. That might be necessary if things go wrong, if I turn out to be wrong as an intermediary of the government and as an intermediary, as I understand it, now, for the will of Parliament, because it is quite clear tonight that this Parliament is determined that the company be maintained as a Canadian company. It is quite clear that members here tonight are very determined that this company be maintained as a Canadian company.

• (11:40 p.m.)

I have with me some of the matters which I can disclose. I do not know how helpful they will be to hon. members, but these are pretty well the limits of the areas I can disclose without breaching confidences which have been reposed in me during the course of these negotia-

Possible Takeover of Home Oil Company

tions. I shall give the House some of the facts. Before I do so I think I should clear up the situation about the newspaper article which I think misled some hon. members, though it is difficult to check these things. I think they could have been forewarned by three references in the article to unnamed sources; that should have raised their suspicions. But let me clear up the point for Hansard. I think I have a duty to the House to do this and to put on the record my knowledge of any written agreement or otherwise.

The hon. member for Calgary North (Mr. Woolliams) asked me about an agreement which referred to myself. I know of no such agreement. This agreement also referred to the government preventing the sale which this newspaper article alleges exists. At the time I stated that I knew of no such agreement, but I did know of a document. I am not sure of its legal context, but it was not to the best of my knowledge—I am convinced of this fact—an executed agreement of sale. It was the possibility of a sale, a general agreement that might later be followed by an agreement of sale. I knew of such document—

Mr. Knowles (Winnipeg North Centre): A letter of intent?

Mr. Greene: I do not think I would describe it as a letter of intent. I am not sure of the legal definition of a letter of intent. The document to which I was privy was one which stated terms that would form the general basis for an agreement if one were later entered into. It was, if you like, a preliminary agreement. But it certainly cannot have been the one referred to in the article and referred to in the question asked by the hon. member for Calgary North, because the document that I saw made no reference to myself and certainly made no reference to the Canadian government having a part in the matter at all. Incidentally, although I was told of the existence of such document as I have described, I did not see it until Friday of last week. I think I can safely disclose this to the House now that some of its terms have been made public. So much for the point with respect to the agreement and *Hansard*, which I think hon. members have a perfect right to have cleared up.

There are in fact discussions continuing between Mr. R. A. Brown, Jr., of Calgary and Rabsco Investments Limited, a company associated with Mr. Brown, for the sale of their combined holdings totalling in excess of 50 per cent of the class B voting shares of Cygnus Corporation Limited of Calgary. I should like to make clear to the House, within the limits of what I believe to be proper and as maintaining the confidences which have been placed in me, some of the facts of the situation. Firstly, Home Oil Company Limited was incorporated in 1929 under the laws of Canada. It is engaged in exploration for and production and transportation of petroleum, natural gas and associated substances, with assets of approximately \$250 million and an annual gross income of approximately \$28 million. It is a leading Canadian independent in the petroleum industry, as hon. members made so clear in their presentations tonight.