ture by the Ottawa *Citizen*, I think they have contributed greatly to the ability of my constituents and others who visit the national capital region to see first-class amateur athletics. The meet about which we are talking tonight was sanctioned by the Canadian Track & Field Association, the national governing body for track and field in Canada.

As to the question of payments to some athletes which the hon. member for Saskatoon West (Mr. Hnatyshyn) raised, both Canadian and foreign athletes who have participated in these games or in similar games in Canada have received a great deal of attention in the media over the past week or so. The Ottawa *Citizen*, the sponsor of the games, and the Canadian Track & Field Association, the national governing body, have both stated publicly that any expense payments were made in accordance with established practice and were for expenses only.

The responsibility for the matter of the amateur status of Canadian athletes rests with the Canadian Track & Field Association. It is not intended to have departmental officials investigate these allegations, as it is not the responsibility of the department.

● (2220)

NATIONAL ENERGY PROGRAM—FINANCIAL EFFECT OF PROPOSED OIL INDUSTRY NATIONALIZATION

Mr. Bill Wright (Calgary North): Mr. Speaker, on January 20, I rose in the House and asked a short question of the Deputy Prime Minister and Minister of Finance (Mr. MacEachen). The essence of my question was what it is costing Canadians to buy oil companies and, second, whether there is a saving to Canadians. Unfortunately, the Minister of Finance was not able to answer me at that time. Hopefully, the parliamentary secretary will be able to do so tonight.

I would like to review some of the financial aspects from which I drew my question. The national energy policy states that the dividends paid to foreign countries in the past year has been approximately $600 million. We also know from the national energy policy that the government wishes to reduce foreign control from 70 per cent to 50 per cent. That means 20 per cent of $600 million is $120 million in dividends which Canadians will save each year. That is all they will save, and no more. With my background in investments it is not hard for me to calculate what we are really talking about in share prices.

I am sure the parliamentary secretary will confirm my figures when I say that the average oil company in Canada trades at 50 times its annual dividends. It is simple to take $120 million and multiply it by 50. You get $6 billion, which is the initial cost to Canadians. So, we will save $120 million a year but will have to pay a minimum of $6 billion. Unfortunately, this is only the start of my story.

When we look at Pacific Petroleums, we see it was bought at 50 per cent above its market value. When we look at Petrofina, we see that it was bought at over 100 per cent above its market value prior to take-over rumours. If you take these figures and start breaking them down, you come up with some very startling conclusions. To begin with, we have a figure of $6 billion as a minimum amount, which will be the cost to the Canadian people. But we have Pacific Petroleums, for which we paid a premium of 50 per cent over the market value, which brings us up to $9 billion. Then we have Petrofina, for which I said we paid a 100 per cent premium, which now brings us up to $12 billion. I would like to go on a little further and then come back to this, since a strange thing comes out of it.

We know from the National Energy Board that we consume approximately 1,850,000 barrels of oil a day in Canada. We know that the Canadian ownership account will tax us up to a maximum of $4 a barrel. If you multiply the barrels of oil per day by the number of days in a year, you come up with a figure of $2.7 billion for which the Canadian government can tax Canadians. This money could go out of the country. No one can stop it from doing so. You and I know, Mr. Speaker, that if we have X dollars to buy something—and we know what the current interest rates are—we can calculate how much we will pay for a product.

I would like to come back to what I said before. If we pay $6 billion for these oil companies, the cash flow which Canadians will be taxed on, which is money leaving the country, will be $1.1 billion. Part of my question dealt with that matter. If the amount we pay is $9 billion, it will go up to $1.7 billion in cash flow that Canadians will be taxed on each year. But what if the cash flow is $2.7 billion upon which we are taxed? How much can we buy with that? Knowing current interest rates and knowing that Canadian National, to use an example, can borrow at 14 per cent, with probably a 20-year bond issue, with that cash flow of $2.7 billion we could afford to purchase Canadian oil companies up to the amount of $16 billion. I have been trying to find out what it will cost Canadians. I am now saying it will cost Canadians a minimum of $6 billion and probably up to $16 billion. Anyone who wants to buy any firm or industry should know what they are prepared to pay for it. I want to know from the parliamentary secretary what the government is prepared to pay. How much money is the government prepared to export just to get a state-owned oil company? What will it cost Canadians? How will the government stop these funds from leaving the country? I would like the parliamentary secretary to answer that.

● (2225)

Of all the money involved, not one dollar will improve our oil situation. The government says it wants self-sufficiency by 1990. In 1974 the Prime Minister (Mr. Trudeau) stood in this House and said we will have oil self-sufficiency by 1980. We do not have self-sufficiency, and the province of Alberta is saying by 1990 we will be importing three times the amount of oil now imported. Somebody is not telling the truth.

We know what the Prime Minister said in 1974, we know what the Alberta government said in 1974 and only the Prime Minister of Canada can be proved wrong, certainly not the province of Alberta.