

*Adjournment Debate*ENERGY—POSSIBILITY OF RE-ACTIVATION OF REFINERY AT
COME-BY-CHANCE—GOVERNMENT POSITION

Mr. John C. Crosbie (St. John's West): Mr. Speaker, the constituency of St. John's West had not been represented by a member for 14 months, and on November 2, the district being represented again, I asked a question of the Minister of Energy, Mines and Resources (Mr. Gillespie) in connection with the oil refinery at Come-by-Chance. There is an oil refinery there, as hon. members know, representing an investment of some \$250 million to \$300 million. Last February it went into bankruptcy, and the refinery has not operated since the end of February as a result of which around 600 people find themselves unemployed.

The Government of Canada has a connection with this refinery because the wharf at Come-by-Chance was financed by the taxpayers of Canada to the tune of some \$20 million, a sum which is still owed to the government.

At the beginning of March the Minister of Energy, Mines and Resources said that at his request Petro-Canada was investigating whether it might be interested in acquiring the refining complex and that consultants were being engaged by Petro-Canada to examine the situation and advise thereon. That announcement was made early in March, some eight months ago. I asked the minister the other day whether the report had been received. He said that it had but that he was unable to give the results of the study. Is the minister concerned about this situation at Come-by-Chance or not? Is the government concerned about the situation at Come-by-Chance or not? Apparently not.

• (2200)

The Secretary of State for External Affairs (Mr. Jamieson) was in Come-by-Chance at the end of August—Come-by-Chance happens to be in the district of St. John's West—at a meeting with the union people, and he told them that it looked to him as though the refinery would be repaired, reconstituted this winter, and in operation again by spring. But what evidence have we of that, Mr. Speaker?

On November 2 I also asked the minister to advise the House what steps, if any, the Government of Canada was prepared to take to assist in reactivating this oil refinery. The minister did not answer that question. I ask again, what steps, if any, is the Government of Canada prepared to take? Is it prepared to make any grant to assist in the reopening of the refinery? Is it prepared to make any loans at a low interest rate to help reopen the refinery? Is it prepared to make any arrangements with reference to the wharf at Come-by-Chance to assist in the start-up of that refinery? Is the government prepared to consider making the area a duty free zone in order to assist the reopening of the refinery? Or what steps is the Government of Canada willing to take, Mr. Speaker?

Those are my questions. The people of Come-by-Chance and the 400 or 500 employees, many of whom are still waiting in the area and hoping the refinery will reopen so that they do not have to move to Alberta or somewhere else in Canada, are waiting for these questions to be answered.

[Mr. Deputy Speaker.]

In my opinion it is cruel and callous of the Minister of Energy, Mines and Resources to take such a blasé attitude to a question asked of him about this situation. The other day the minister said that he had not been approached and that he did not know of any approach to the Government of Canada by any group to see whether the Government of Canada was prepared to do anything to help reopen this refinery. Let me tell the hon. gentleman now that the largest creditor in the bankruptcy, the Ataka company which is owed some \$250 million to \$300 million, had a representative approach ministers of the Government of Canada to ask whether the government were prepared to take any steps of the kind I have mentioned. They approached the Minister of Finance (Mr. Macdonald)—and I would suggest that the Minister of Energy, Mines and Resources consult with him—to find out whether a grant or loan might be made, or any steps taken. His advice was that this was very unlikely, that he felt that the refinery was finished and should be written off. That was the attitude of the Minister of Finance.

The Secretary of State for External Affairs, who represents the province of Newfoundland in the cabinet, took much the same position when he was approached. I would now ask the Minister of Energy, Mines and Resources or his representative to inform the House, the people of Newfoundland, the people of Come-by-Chance, and the people of St. John's West, what steps, if any, they are prepared to take to assist either the Japanese creditor or any other group in getting this refinery back in operation again, so that these assets do not just rust away. They are now being mothballed by the first mortgagee or receiver and the assets are wasting away. Some 500 people have been put out of work. What, if anything, is the Government of Canada prepared to do? Is the attitude of the Government of Canada that of the Minister of Finance, that the refinery should be written off and forgotten? Or is the attitude of the Government of Canada going to be one of helping to assist this project get under way again?

This is an industry that Newfoundland can ill afford to lose. This refinery may be of very little consequence to the province of Alberta, but to the province of Newfoundland it represents 500 jobs. It is an industry we cannot afford to have shut down. About \$47 million of the people of Newfoundland's money is invested in the project as second mortgagees, and the people of Canada have invested about \$20 million. Will the Government of Canada assist at all by grants or loans at low interest rates? What are the results of the Petro-Can study? Does Petro-Can have any interest in this project, or is this just a cynical attempt to make it appear that the Government of Canada is taking some action?

Mr. Maurice Dupras (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, it is true that Canada has great interest in the Come-by-Chance refinery. This has been shown many times, for example, in the contribution toward building a wharf and the weekly concern with regard to the situation now prevailing in Come-by-Chance.

To date the Canadian government has not received a request or been presented with any proposals relative to its participa-