

THE SENATE

Tuesday, November 23, 1982

The Senate met at 8 p.m., Hon. Renaude Lapointe, Speaker *pro tem*, in the Chair.

Prayers.

QUESTION PERIOD

[English]

ENERGY

NEWFOUNDLAND—OFFSHORE RESOURCES—GOVERNMENT POLICY

Hon. C. William Doody: Honourable senators, I wonder if the Leader of the Government in the Senate would clarify one question for me. It was reported in the St. John's *Daily News* that the Government of Canada is in the process of reconsidering its position on the offshore situation. I think that that report has been received with some doubt by both sides.

Could the Leader of the Government tell us exactly what the government's position is right now? Has there indeed been a change in the thinking of the Government of Canada, or is the situation as it was when last discussed by the representatives of both the federal and the provincial governments?

Hon. H. A. Olson (Leader of the Government): Honourable senators, I shall take the question as notice and refer it to the Minister of Energy, Mines and Resources for his comments. However, I would not like to take as notice a request to either confirm or deny that a speculation in the press is true or untrue.

Hon. Jacques Flynn (Leader of the Opposition): What is your problem? Why do you always worry? When you take a question as notice, you take it as notice and that is all.

PETRO-CANADA—PURCHASE OF BP CANADA

Hon. R. James Balfour: Honourable senators, I should like to pose a question to the Leader of the Government in the Senate. Is it correct that the cost of the take-over of BP Canada by Petro-Canada is not \$350 million, as was originally stated by the government, but more in the order of \$570 million?

Hon. H. A. Olson (Leader of the Government): Honourable senators, I shall have to check those figures as well, but I believe that the amount is closer to \$350 million, as was stated by either an officer of Petro-Canada or the Minister of Energy, Mines and Resources when the transaction was consummated.

Senator Balfour: Is the honourable senator not aware that today, before a committee of the other place, the chairman of

Petro-Canada conceded that the actual price was of the order of \$570 million?

Senator Olson: Honourable senators, I was not aware of that. I suppose that illustrates the risk involved in trying to answer these questions before making the necessary inquiries, however rapid I like to be in responding to all the questions from the opposition.

Senator Balfour: Would the honourable senator not agree that a discrepancy of some \$220 million between the originally stated price and the price that was conceded today, if it is correct, constitutes a serious misstatement of fact on the part of the government?

Senator Olson: Honourable senators, I do not want to concede anything, because the conceding that I would have to do would be on the interpretation that my honourable friend is bringing to the Senate from whatever he may have heard reported. Therefore, I need to be a little careful. I should also take into account the calculations that have been done in one respect vis-à-vis another, because it is, of course, quite possible to provide two or more answers depending on what you add up.

Hon. Jacques Flynn (Leader of the Opposition): You know that.

Senator Balfour: Honourable senators, I have a supplementary. If it should prove to be the case that the price is \$220 million greater than that originally announced, would the leader state whether or not he agrees with the assessment given by the chairman of Petro-Canada that this acquisition will not cost Canadian taxpayers a dime?

Senator Olson: Honourable senators, before my honourable friend asks me to agree with a hypothetical situation, it would be extremely useful to both of us, and also to the minister directly responsible, if we first ascertain the facts. When I have provided those facts for my honourable friend, perhaps some of these questions may then be placed in their proper perspective.

Senator Balfour: Would the Leader of the Government ascertain the facts and make a statement on the situation in this chamber tomorrow?

Senator Olson: I have already given an undertaking that I will refer the question to the Minister of Energy, Mines and Resources. Whether or not I should make a statement is something that I will have to consider at that time. It may be that my honourable friend's information may or may not be somewhat exaggerated, but until I know that it would be imprudent of me to give that commitment.