

Oral Questions

KNOWLEDGE OF ALASTAIR GILLESPIE

Hon. Edward Broadbent (Oshawa): Madam Speaker, in the memorandum sent to the present Minister of Finance, who was then Minister of Energy, Mines and Resources, there is reference to the National Energy Program which was announced on budget day. We now know that the consortium brought about by Mr. Gillespie was announced the very day after the budget—right? That is the sequence of those events. No one disputes them. The memorandum dated January 15, 1981, states:

In anticipation of this development, provision was made during the planning stage of the National Energy Program for a maximum of \$1 million to be available for federal participation in this project.

Could the Minister tell us how anyone could possibly believe that Mr. Gillespie did not know that that would be in the budget?

Some Hon. Members: Hear, hear!

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I have great respect for Mr. Gillespie—

Some Hon. Members: Oh, oh!

Mr. Crosbie: You sure do!

Mr. Chrétien:—but I find it a bit surprising that he would be so proficient that from one day to the next he would be able to find five partners to form a consortium. The fact of the matter is what I said in the House, that he tried to put these associates together in the summer of 1980, after he had met with Premier Buchanan.

• (1130)

An Hon. Member: Why did he do it?

Mr. Chrétien: Because he knew that there was a fund set aside in 1977 for that very purpose, and it was after he got the agreement and the enthusiastic support of Premier Buchanan that, in the summer of 1980, long before the budget, Mr. Gillespie met with Petro-Canada, met with the Gulf Company and so on, to try to persuade them to have a consortium.

Mr. Clark: They all knew about it then.

Mr. Chrétien: They knew that there was money available for that sort of project.

Mr. Broadbent: It was put in after it was put in the budget.

Madam Speaker: Order. I will allow the Minister to finish his answer, but I am addressing myself to the Hon. Member for Oshawa. He will have an occasion to ask further questions, but please let the Minister answer.

[*Translation*]

Mr. Chrétien: Madam Speaker, I repeat that throughout the summer of 1980, there were negotiations between Mr. Gillespie and the various companies that formed this consortium.

Therefore, Mr. Gillespie could hardly have formed the consortium on the very day or the day after the budget was announced. That is impossible, because it took him weeks and months to persuade his partners and convince them that it was a good project. That could not be done after the budget was brought down. In fact, Mr. Gillespie and Premier Buchanan had known for some time that there were funds available to the Government of Nova Scotia for oil substitution research projects. I feel that has no connection with the budget that was announced the day before. It was a program that Mr. Gillespie suggested, first of all to the Government of Nova Scotia as early as the spring of 1980.

[*English*]

Mr. Broadbent: Madam Speaker, the Minister is absolutely right. Mr. Gillespie was organizing months ahead, meeting with Deputy Ministers, meeting with all kinds of people, and he made sure, along with the Ministers co-operating, that what he wanted to achieve would be included in the budget. I think everyone who looks at the evidence, on this side of the House at least, knows that he knew that it was going to be in the budget and was able to announce the consortium the next day.

DEPUTY PRIME MINISTER'S AWARENESS OF PROJECT

Hon. Edward Broadbent (Oshawa): Madam Speaker, I would like to ask the smiling Deputy Prime Minister a question. Since he was in Cape Breton in his riding as Deputy Prime Minister, along with Mr. Gillespie, proudly announcing this project, could he tell the House, as Deputy Prime Minister, when he first became aware of Mr. Gillespie's involvement in this consortium?

Madam Speaker: I would think that a question to the Deputy Prime Minister of this nature would be allowed if the Prime Minister were not present, but since the Prime Minister is present I suppose the question should be addressed to the Minister responsible, but not to the Deputy Prime Minister.

Mr. Broadbent: Madam Speaker, I suspected that the Deputy Prime Minister would use his former role not to answer, so I will ask the present Minister of Finance to check with his colleague four seats down, the Deputy Prime Minister, and find out when he first became aware of this project, and report at some early date to the House.

Hon. Marc Lalonde (Minister of Finance): I will be very happy to, Madam Speaker.

DISBURSEMENT OF FUNDS—ROLE OF TREASURY BOARD

Hon. Elmer M. MacKay (Central Nova): Madam Speaker, I want to come back to the question asked by the Member for Calgary South, and direct my question to the Minister of Finance, or to the Minister of Energy, who makes such a point of using Nova Scotia to clear any possible ambiguities here. I want to direct this question to either one of those Ministers. If Nova Scotia was in total control of the funds, why did the