

they wish to sell any product on the mainland of Canada, all they have to do is make an offer first, give a chance of first refusal to Petro-Canada, and if Petro-Canada does not accept it, then they can offer it and sell it to anyone they like.

They have nothing to complain about. They were established at Come-by-Chance because they wanted to sell products in the United States. We already have an over-capacity in refining in eastern Canada, as they know, in Montreal.

I remember Hon. Members opposite making a fuss because a refinery was closing in Montreal. Surely they can have their partisanship diminish a bit and see that this is just a contractual arrangement.

MINISTER'S POSITION

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, Petro-Canada has the right of first refusal, but it has 15 days in which to decide whether it is going to take it. Also, Come by Chance Newfoundland Energy would have to pay Petro-Canada 15 per cent of its gross profit if in fact it did sell.

It was not only one dollar. They also took over \$26 million in liabilities and took over a first mortgage of between \$35 million and \$40 million—

Mr. Speaker: The difficulty that the Chair is in is that certainly a certain amount of latitude has to be added but this is not an Examination for Discovery over a contract and what people said. I would ask the Hon. Member to put his question.

Mr. MacLellan: Mr. Speaker, since Newfoundland Energy was forced to sign that contract with a gun to its head, because either it signed or its refinery was to be torn down the next day, why is the Minister of Transport denying Newfoundlanders 300 extra jobs and \$9 million extra a year in revenues to that province?

Hon. John C. Crosbie (Minister of Transport): Mr. Speaker, that is typical exaggeration—

Mr. Tobin: That is the fact, John. You have been caught with your pants down. Now, pull them up and tell the truth.

Mr. Crosbie: Mr. Speaker, if I can be allowed to answer, at the moment the refinery has suffered from a fire and it is not producing. When it does produce—and I have been down and inspected it and gone through it; it is in my district—it is going to employ several hundred people.

I induced Petro-Canada to turn over for nothing \$30 million worth of assets at that refinery, and I had the Government of Canada turn over the wharf down there which cost something like \$30 million, for one dollar.

I am the Member who represents the district. If there was such a nefarious arrangement that prevented these people from selling their oil products anywhere unfairly, I would personally intervene to stop it, but that is not the case. This is a bargain

arrived at by two adult parties, and they have to live up to their obligations.

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AUDITOR GENERAL'S REPORT

GRANT MADE TO EDMONTON AMUSEMENT PARK PROJECT

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, my question is for the Deputy Prime Minister and it pertains to the grant to Fantasyland. By virtue of the statement from DRIE which he read to the House today that did not refer to the fact that the project would not have gone ahead if the money had not been granted, but that the project might have been delayed if the money had not been granted, and given the fact that one of the criteria for whether or not money should go to such projects is whether or not the project would go ahead, I want to ask the Deputy Prime Minister how he has the nerve to get up and talk about delay as a reason for him giving that grant, when the criteria talk about whether or not the project will actually go ahead.

Hon. Bernard Valcourt (Minister of State (Small Businesses and Tourism) and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, the Hon. Member refers to criteria. He calls them criteria. They are talking about rules being broken. They are talking about regulations being broken. The fact of the matter is that none of the rules have been broken.

If he looks at Section 8 of the Act, the learned socialist over there, he will see that the Act talks about economic and social benefit, incrementality, and viability. When this was revised by the Department, it was found, in accordance with this, that the bottom line is that a Minister of the Crown has the legal power to exercise his discretion on these criteria. He exercised it in favour of Alberta, in favour of Edmonton, in favour of the chosen sector in those parts of the country. That is what happened.

● (1500)

The criterion in the decision to which he refers was one of viability. The circumstances changed from 1983 to 1985. We are proud of that decision because, when we look at tourism in Edmonton and Alberta today, we find that the West Edmonton Mall is drawing over two million tourists annually—

Mr. Speaker: I think I just might remind Hon. Members—

Mr. Blaikie: Mr. Speaker—

Mr. Speaker: I will recognize the Hon. Member for Winnipeg—Birds Hill in a moment. A great many questions have been asked on this subject. The questions, although not exactly the same, really do search after the same mission. The consequence is that the responses are, of course, very much the same.