

Oral Questions

In light of the change in attitude by the Americans with regard to the very real importance to this country of having Canadian control over the Canadian energy industry, and the interest in this House in knowing exactly what parts of the program are at issue, will the minister confirm that ministers of the government have received letters from the United States? Will he agree to table those letters in the House of Commons so that everyone in this Parliament will know what is at issue between Canada and the United States and between Canada and other countries which might believe that Canada is acting in a way that breaches obligations?

● (1420)

Hon. Mark MacGuigan (Secretary of State for External Affairs): Madam Speaker, I do not believe that we would be at liberty to table such documents. We will have to find some other way of making the issues well known to the members of this House and to the Canadian public.

The Right Hon. Leader of the Opposition has also mentioned the IEA. I might add, with respect to our international obligations there, that of course there may be some concern on the part of other countries that one of the effects of our national energy policy will be to give a certain advantage to Canadians trading abroad. We believe that, if that is the case, it is the same thing as natural advantages which other countries may have in the international trading sphere, and it is a consequence which we are prepared to endure.

Some hon. Members: Hear, hear!

* * *

PETRO-CANADA

INSTRUCTIONS RESPECTING ACQUISITION PRACTICES

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my question is to the Minister of Energy, Mines and Resources. The minister, I know, is aware of the fact that a \$400,000 profit was made on the sale of shares by four officers of Petrofina just prior to the Petro-Canada acquisition announcement. This illustrates the kind of profit that can be made if there is a degree of speculative activity surrounding these takeovers that Petro-Canada will be entering into in the years and months ahead.

The minister referred in a vague way, in answer to another question that I put to him some days ago, to "standing operating instructions to all Crown corporations... and to Petro-Canada in particular." My question to the minister is, would he now state what those procedures are, would he table them in the House, and would he make it clear that these are procedures that we would hope would avoid the types of leaks which have resulted in these large profits being made by people associated with takeovers and would avoid having the price of shares driven up in anticipation of a takeover offer being made by Petro-Canada?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I know of no written instructions; they are standing instructions which are to follow the normal business practices in all aspects of the laws of the land. I have indicated that on the basis of past experience with previous takeovers, and my examination of what has happened in this particular case, Petro-Canada behaved in the best of ways in dealing with this particular issue.

If there has been speculation and then some profits made by some members of the management of Petrofina, or people of that nature, obviously this is a matter over which I would not have particular control. It is a matter that has to do with the seller and the management of its own operations.

I want to assure the hon. member, as I have indicated, that any specific information would be drawn to the attention of the proper authorities, if he has any. Some information has been tabled by Petrofina before the Ontario Securities Commission. It is examining this at the present time. In addition, I have referred this additional information to my colleague, the minister responsible for consumer and corporate affairs, to ensure that the provisions of the Canada Corporations Act have been respected by Petrofina Canada.

Mr. Wilson: Madam Speaker, the minister referred, and I quote, specifically to "standing operating instructions... to Petro-Canada in particular". I have asked the minister to table the standing instructions to Petro-Canada in particular which will avoid these speculative leaks in the future, because Petro-Canada is a company that will be making these takeover bids, takeover bids that have been done sloppily, as this one has been, and it will cost Canadians a lot of money in the future.

My supplementary question, Madam Speaker, is this: has the minister, since these shares were sold pursuant to share options which had been exercised by the officers of Petrofina, received a report relating to the issue of these share options? Can the minister assure the House that the options which were exercised in January were not issued after early September when the negotiations started with Petrofina, but were issued prior to that date?

● (1425)

Mr. Lalonde: Madam Speaker, I would like to remind the hon. member who has had some experience in this regard that the price paid by Petro-Canada for Petrofina was felt to be appropriate in the circumstances and was judged so by most investment analysts. If there has been any profit taking by some members of management in this regard, it will have been profit-taking at the expense of other shareholders of Petrofina. This is a matter which is properly for the securities commission, the stock exchanges, and the corporation branch of the Department of Consumer and Corporate Affairs to examine under the Canada Corporations Act also. This will be done.

With respect to the specific question asked by the hon. member, I have indicated to him that I know of no written instructions as such. The standard instructions are that Petro-Canada run its operations like any other business would do. I