

Oral Questions

ing to see to it that Consumers Gas is not simply sold out to a company with this kind of poor record.

[*Translation*]

Mr. Speaker, my supplementary is as follows: More than 20,000 consumers filed complaints with British Gas last year. Will the government consider these problems when it makes its decision on the sale of Consumers Gas?

[*English*]

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Yes, Mr. Speaker, this will be part of the calculation of net benefit to the people of Canada.

Large discounts occur now with Consumers Gas in Canada. They are not necessarily right just because they are Canadian. The British applicants will have to prove that their application is of net benefit to Canada, including environmental considerations.

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MOLI ENERGY

Mr. Stan Wilbee (Delta): Mr. Speaker, my question today is for the minister responsible for western diversification.

The high tech company Moli Energy Limited went into receivership on February 26 of this year. The company leaves considerable debts behind, including \$33 million to the B.C. government and approximately \$6 million to the federal government.

Last week it was announced that a consortium of three Japanese companies have taken over the assets and operations of the firm while the B.C. government is licensing the technology to them. There have been suggestions in British Columbia that other Canadian companies did not have the opportunity to bid for the assets of the company.

First, will the technology that has been developed at the University of British Columbia stay in Canada? Second, were Canadian firms allowed to bid on the assets of this company?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, Moli Energy, as the hon.

member will know, is a 10-year old company which has been experiencing some financial difficulties for about six months. During that period of time it has been unable to find Canadian funding to keep itself in operation. The answer to the hon. member's first question is that there was opportunity for Canadian investors to become involved in Moli. Second, the technology as I understand it will remain in Canada. It is a very good technology. As important, there are over 100 jobs involved which will remain in Canada.

While the financial difficulties are not something that we like, the end result is the fact that the technology will stay in Canada and that there will be over 100 jobs maintained as a result of the restructuring that has just been announced.

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TIEM CANADA

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the Deputy Prime Minister.

In 1986 the department of regional expansion and the department of employment funded a private company known as TIEM Canada in the amount of approximately \$18 million, which company was supposed to help small business in a formative period. However, it was soon discovered that this company did not deliver on its promises, did not meet its targets, was incompetent, was inefficient, and was not able to account for the government funds provided to it.

What criteria were used to select this company for funding, and what evaluation was done of its business plan before funds were provided to the company?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, there was an evaluation done, but what is important here is that very serious allegations have been raised recently concerning TIEM Canada's operations and they are currently being examined.

Until it has been determined whether legal investigation is required in this case, further comment would be inappropriate.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, the government has known about this situation for more than a year now and has done nothing about it.