

*Oral Questions*

With your permission, Madam Speaker, I should like to repeat the question I asked yesterday for the benefit of the minister. I am sure that it would be of some interest to the House to know that there were already so many problems with this company—I am referring to Astra Trust—and with associated companies, that in 1978 the federal Superintendent of Insurance attached conditions and renewed the trust company's charter for only a three-month period.

My question to the minister is this: why did it take the department two years, between 1978 and 1980, to find out the nature of the scam which was involved, and the scam is the relationship between the four companies in question, and how was it possible for the department to continue to allow investors in southern Ontario to put their money in Astra Trust when the department itself had severe suspicions about the integrity of these four companies?

[*Translation*]

**Hon. Pierre Bussières (Minister of State (Finance)):** Madam Speaker, in the introductory remarks to his question the hon. member describes the extremely complex situation surrounding this case. As the hon. member is fully aware the situation grows even more complex owing to the fact that two levels of government are involved. One company, Astra, is incorporated under federal legislation while others hold provincial charters. The hon. member is asking me how it can be that although very stringent conditions were imposed on its operations in 1978, the company was not liquidated until 1980. I should like to indicate to the hon. member that some conditions were imposed precisely because the office of the Superintendent of Insurance was keeping a very close watch over the operations of that company. However, the hon. member ought to understand that monitoring operations were all the more difficult as the other companies did not come under the jurisdiction of the Superintendent of Insurance. As evidence of that, it was not before 1980 that the Superintendent of Insurance was made aware of the Re-Mor operations.

[*English*]

REQUEST FOR PARLIAMENTARY COMMITTEE INQUIRY

**Mr. Bob Rae (Broadview-Greenwood):** Madam Speaker, the minister himself has just said that the situation is very complicated, and I agree with him. When you look at the transcript of the evidence before the Ontario select committee, you find that it is a very complex story, in fact, as scam going back to 1972. In view of the complexity of the situation and the fact that a select committee of the Ontario legislature has said, as it appears in the interim report of that select committee before it was dissolved because of the Ontario election:

—it has received evidence indicating that political influence was exerted on federal officials to incorporate and licence Astra Trust as a federal trust company. The committee invites the Parliament of Canada to examine the transcript of its proceedings and to take such action as it deems appropriate.

It is precisely because of what the minister calls the complexities in this case that the Ontario committee has asked that this be referred to Parliament. Why does the minister not refer

this matter to a parliamentary committee so that we ourselves can examine the complexity and try to come to a solution of this very difficult problem?

[*Translation*]

**Hon. Pierre Bussières (Minister of State (Finance)):** Madam Speaker, concerning the fact that a licence was issued to the Astra Company, I have already explained that, contrary to what may have been said, the Superintendent of Insurance has assured me that never was there any political pressure on him with respect to the recommendation. Madam Speaker, he made a serious and thorough investigation just as is done before it is recommended that a trust company be incorporated. I would suggest that what matters is to make sure indeed that there is a thorough investigation before incorporation papers are issued and, second, that proceedings are taken against any person who might have been involved in criminal activities and have benefited from the complexity of the situation. In that respect the Department of the Superintendent of Insurance works closely with the Ontario Provincial Police to bring criminals to justice if they are involved in illegal activities.

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[*English*]

PETRO-CANADA

GOVERNMENT FINANCING FOR ACQUISITION OF PETROFINA

**Hon. John C. Crosbie (St. John's West):** Madam Speaker, I would recommend that the Minister of Energy, Mines and Resources consult the Prime Minister on his definition of the truth.

**Some hon. Members:** Oh, oh!

**Mr. Crosbie:** My question to the Minister of Finance is this. Mr. Hopper said yesterday that he wants federal assistance in purchasing Petrofina because his cash flow will be limited, that his investments in other activities will be limited if the government does not supply the \$1.46 billion after collecting it from the Canadian consumers of oil products, regardless of their ability to pay, and that the government should give it to him to buy Petrofina. To collect that amount of money in one year will cost at least 8 cents a gallon on gasoline and 6 cents on heating oil. There have already been eight increases in oil product prices since the end of December of last year under this government, and this will be the ninth.

Will the minister now tell the House what the government intends to do, particularly in view of the fact that there is no equity in this matter, that everybody, rich or poor, will have to pay it, that the poor will pay more in proportion than the rich, that there will be no tax credit for lower income taxpayers as we proposed, and that there will be no exemption for farmers, fishermen or urban transit systems? How is he going to collect this amount of money for Mr. Hopper?