

Questions

Petroleum Ltd. on January 27, 1966 and, if so (a) was there any evidence of collusion between the two companies with reference to the submission of identical tenders (b) were there any other companies submitting bids and, if so, who were they and what were their bids?

2. Are British American Oil Ltd. and Pacific Petroleum Ltd. separate corporate entities, or are they part of one company?

Hon. Arthur Laing (Minister of Northern Affairs and National Resources): 1. Oil and gas permit block 66-65, which was offered at the January 27, 1966, permit sale, was awarded to The British American Oil Company Ltd. and Pacific Petroleum Ltd. jointly for a total work bonus bid of \$157,425. The two companies had submitted identical tenders on the permit block and were offered the option of acquiring it jointly or submitting further separate tenders to break the deadlock. A decision concerning the awarding of the permit block had to be reserved until the companies involved could indicate their choice of procedure. Consequently, it was not until March 1, 1966, that a letter was sent to each of the two companies confirming that in accordance with their wishes, the oil and gas permits involved were being issued to them jointly.

(a) There was no evidence of collusion between these two companies with reference to the submission of identical tenders. In the first place, the tender by the British American Oil Company Ltd. was a direct work bonus bid on the subject permit block whereas the bid by Pacific Petroleum Ltd. was a result of a slide in the amount of \$53,524.50 from an unsuccessful bid on another block offered at the sale. Before the slide, the Pacific Petroleum Ltd. bid on permit block 66-65 was \$103,900.50. In the second place, the bid of \$157,425 was obviously the result of simply multiplying the total acreage involved in the block, 314,850 acres, by the amount of 50 cents per acre. Usually, oil companies tendering bids calculated in this fashion add on a few odd cents to prevent just such a tie situation. Both companies neglected to do this in the subject case, but it is doubtful that either will make the same mistake at a sale for some time to come.

(b) There were three bids submitted on permit block 66-65. The third company bidding on this block was Socony Mobil Oil of Canada Ltd. It is not the policy of this department to release the amounts of unsuccessful tenders; however, it can be stated that the Socony Mobil bid was considerably less

[Mr. Brand.]

than those submitted by the other two companies.

2. The British American Oil Company Ltd. and Pacific Petroleum Ltd. are separate and distinct entities.

ARDA PROJECTS, GATINEAU COUNTY, QUE.

Question No. 1,223—**Mr. Isabelle:**

1. Since its inception, how many projects have been carried out and/or studies undertaken by ARDA in Gatineau county?

2. What amounts have been spent on these projects or studies?

3. To what towns, villages, municipalities and parishes do these projects and studies relate?

4. What was the nature of these projects or studies?

5. Was a preliminary report made by ARDA on a study of rural poverty in the constituencies of Gatineau, Labelle, Pontiac-Témiscamingue and Renfrew North and, if so (a) were any constituencies declared the poorest in Canada and, if so, which ones (b) did ARDA send this preliminary report to other federal government departments in order to prevent duplication of assistance?

Hon. Maurice Sauvé (Minister of Forestry):

1. To date the province of Québec has not submitted any project proposals to federal ARDA to be carried out in the Gatineau county.

2. Answered by 1.

3. Answered by 1.

4. Answered by 1.

5. A study of rural poverty was made under ARDA for the counties of Gatineau, Papineau and Pontiac, but not in all the areas suggested in the question. (a) No. (b) Yes.

PENALTY FOR PREMATURE RETIREMENT,
ARMED FORCES

Question No. 1,230—**Mr. MacRae:**

1. Is it mandatory that members of the R.C.A.F. who served in world war II and who wish to retire voluntarily while under the maximum age limit for their rank, should be penalized from 5 per cent to 25 per cent of their pension, depending on their age?

2. If so, is this penalty applied to the serving members of all three armed services?

Hon. Léo Cadieux (Associate Minister of National Defence): 1. Subsection 6 of section 10 of the Canadian Forces Superannuation Act provides that an annuity payable to any contributor under the act, whether he has had world war II service or not, who has not reached the retirement age for his rank and who retires voluntarily from the forces, be reduced, in the case of an officer,