

*Oral Questions*

But I certainly touched on this, and a number of areas of joint interest, for example, when I was in Winnipeg earlier this week with my Manitoba counterpart. I am very interested in the potential for industrial development which I am convinced is there to be achieved through the implementation of our National Energy Program. Along with our own willingness to discuss the situation I think there must be an equivalent willingness on the part of the government of Alberta, since they are the ones refusing to proceed with major projects. It is not the federal government which is refusing to proceed.

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

## ROLE PLAYED BY GOVERNMENT OF ALBERTA

**Mr. Harvie Andre (Calgary Centre):** Madam Speaker, my supplementary question is also for the Minister of Energy, Mines and Resources. Is the minister telling the House that he feels the government of Alberta is primarily responsible for the health of Canada's manufacturing industries and for the concerns of the industries represented by such organizations as the Pulp and Paper Association of Canada? Is that what the minister is telling the House? Would the minister please explain how it is that virtually the entire business community in Canada, not just the oil and gas industry but all of those who make daily investment decisions with regard to their future, has reached the conclusion that the energy program is disastrous? Could the minister tell me on what basis he reaches a contrary view?

**Hon. Herb Gray (Minister of Industry, Trade and Commerce):** Madam Speaker, it is the hon. member who has reached certain conclusions. I am certainly prepared to consider very carefully what these organizations have said. But the most interesting point in the hon. member's question is the implication that he believes we should be taking a position of leadership, in terms of management and direction of major projects, rather than the government of Alberta. I hope he will explain that to his colleagues in Alberta.

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● (1120)

## PETRO-CANADA

## PREMIUM PAID ON ACQUISITION OF PETROFINA

**Hon. Michael Wilson (Etobicoke Centre):** Madam Speaker, my question is for the Minister of Energy, Mines and Resources. Yesterday, in answer to my question concerning the premium paid on the Petrofina acquisition being lower than the North American average for similar types of transactions, he said it was 37 per cent as against 56 per cent on similar transactions. In saying that he made the point that I have been trying to make over the past two or three weeks; he has established the premium of 36 per cent on the price of \$87.50 which was the price at the time of the takeover and not

the price at which the shares had been trading before all the leaks over the past few months began occurring.

In view of the fact the price was \$60 when rumours of a takeover occurred, and I remind him of the chart I showed him yesterday, how does he justify a 100 per cent premium in comparison to the 56 per cent North American average referred to in his answer?

**Hon. Marc Lalonde (Minister of Energy, Mines and Resources):** Madam Speaker, when I referred to the 56-57 per cent premium, it was a premium paid over the price of the shares at the time the takeover took place, and I compared apples with apples, contrary to what the hon. member is trying to do. I would invite my hon. friend to consider the facts. The important thing is what is the company's worth.

The overwhelming consensus of investment analysts who have commented on this is to the effect that Petro-Canada paid a fair price and no more, and that has been substantiated by outstanding analysts right and left in the investment community.

**An hon. Member:** Mostly left.

**Mr. Lalonde:** The decision taken by the management of Petro-Canada was based on information gathered from expert consultants they hired, so it was a good business decision, as were the decisions taken in the last two takeovers which were also condemned at the time by the Conservatives and which proved to be excellent deals for Canadians on all counts.

**Mr. Wilson:** Madam Speaker, using the minister's own figures, the 100 per cent premium that is clearly there, I show the minister the trading range of BP Canada, another candidate for acquisition, and the trading range of Petrofina which has gone through the roof as a result of the rumours resulting in the clearly exorbitant premium of 100 per cent compared to the minister's normal figure of 56 per cent. In view of that will the minister now acknowledge that the leaks which forced the price up to \$87.50 when the deal was completed, have cost Canadian consumers and taxpayers up to \$300 million in added costs, and will he also cease being so defensive about this matter and order the management of Petro-Canada to report to him on how they are going to act in the future so that these leaks do not recur and cost Canadians these large amounts of money?

**Some hon. Members:** Hear, hear!

**Mr. Lalonde:** Madam Speaker, frankly, I do not feel any need to be defensive about this deal.

**An hon. Member:** It is not your money.

**Mr. Lalonde:** It has been and will prove to be an extremely good deal for Canadians, and I think my friend is in a very small minority in carrying on the old war of the Tories against Petro-Canada without any justification, and without support from the public.