

Adjournment Debate

should be constructed in Saskatchewan. We agree to encourage the construction of an upgrading facility for substantial completion by the end of the term of this understanding.

A differentiated Petroleum Compensation Charge (PCC) will be applied to the input of heavy crude oil upgraders in Saskatchewan. This will provide heavy oil upgraders with access to appropriate differentials between input and output prices.

It is agreed that heavy oil upgraders in Saskatchewan will be treated as resource activities for income tax purposes.

Shortly after the release of the NEP in October 1980, negotiations began between several companies culminating in the creation of a joint venture to upgrade heavy crude in Saskatchewan. The companies participating in this undertaking are: Husky Oil, the project leader with a 25 per cent

interest; SasKoil Resources Inc. 25 per cent; Gulf Canada Limited 20 per cent; Petro-Canada 15 per cent; and Shell Canada 15 per cent. During the past months this group has been actively investigating the possibility of building a heavy crude oil processing plant in Saskatchewan.

May I reiterate what the minister said in the House on December 9 and that is, that so far as the Government of Canada is concerned, it has taken no stand and has no particular views with regard to a specific site.

Mr. Deputy Speaker: A motion to adjourn the House is deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 11 a.m.

At 10.20 p.m. the House adjourned without question put pursuant to Standing Order 2(1).
