

*Borrowing Authority*

here. They had to go to Belgium to get the money to finance their schemes because Canadian banks, the Canadian government and Canadian institutions were not interested. They did not have any faith in our energy future, so the money had to come from Belgium. The company eventually ended up being a Belgian company. The Belgians have no great design with respect to managing our energy future. Belgium is a country just like ours. The Belgians have problems with bilingualism. They have had them much longer than we have, and they have not found any better solutions than we have. Belgium is just a small country.

Not all the shareholders who will receive that \$61 million are Belgians, many of them are Canadians. Somehow the whole thing does not make sense. If I were a shareholder of Petrofina, I would say, "If you want my company, pay me cash because I do not trust you to pay me over a period of time." However, I assume that if the government takes control now—and this is what the minister says is happening—then he has to pay the owners of Petrofina interest if he does not pay it to foreign banks or if the money is not being borrowed to give to the shareholders. The investors are the only people who will profit from this scheme. It will do nothing whatever to find any new oil or bring any new oil onstream. It will do nothing to enhance our Canadian control position, particularly in the crucial area where we must assume control, that is, the area of development and exploration.

We do not need more service stations, surely, and we certainly do not need a refinery at which the pipes are rusty and in danger of blowing out at any time. It has already been said that the refinery is in need of some very major repairs or modifications to bring it into line with what is, in today's concept, considered to be a modern refinery.

We have talked about this takeover in the question period for the last couple of days. All of us who have been critical of the government since the energy statement was tabled in the House have been very diligent in watching the newspapers to see what was happening to oil stocks and oil shares. I personally do not have any, but I have been interested because I travelled to my constituency and was told that all of the major companies drilling in the area I represent in northeastern British Columbia have been making plans to leave and move to the United States or spend their money in other areas in the world where there is not the type of government intervention which is now being experienced in our country. The minister denies this is happening. He says there are actually more rigs drilling this year than last year. That may well be true in a small corner of Alberta or Saskatchewan.

**Mr. Lalonde:** It is true all over.

**Mr. Oberle:** It is certainly not true in northeastern British Columbia.

**Mr. Lalonde:** It is true all over.

**Mr. Oberle:** If the minister says it is true, I of course cannot call him a liar, but he is a stranger to the truth. It is not true in northeastern British Columbia. Rigs are moving out.

We were watching what was happening to the oil economy, and in almost every instance the value of oil shares was dropping, with the exception, curiously, of the shares of Petrofina. They were increasing from \$70. They were listed at that price on the market at the time the first telephone calls about the possibility of a takeover were exchanged. When that happened, Petrofina's shares increased in value from \$70 to about \$85 per share. In the opinion of most experts \$85 would have been a good price to pay.

If one wants to make sure that a takeover does not run aground or afoul about half way through, one usually offers a premium. My analysis of the situation would have been that the premium was already paid in that the value of the shares had increased disproportionately with other companies, from \$70 to \$85. However, I will give the minister the benefit of the doubt and say that \$100 would certainly have been a windfall profit to the people who owned Petrofina shares. But the price was not \$100; it was \$120. The government paid that amount for the shares without—and I am getting back to that—making a serious assessment or commissioning a serious analysis of the real assets of this company.

The minister sits over there and shakes his head. He has been asked about this, and he has admitted to us that the cabinet discussed it. Yes, the members of the cabinet had a thumb sketch assessment of what was happening, but they really did not know what they were buying or how this particular acquisition would help them achieve some of the objectives laid out in the national energy package. There is a lot of anxiety in the industry, and there is good reason for it.

● (1610)

We are saying that the government energy package is just barely catching up with what is happening throughout the world. We are comparing ourselves with Great Britain, the United Kingdom, Norway, and with companies which operate, under government rules and regulations, in the North Sea and in other parts of the world. Also there have been some interesting discussions in committee as to these comparisons.

Since the Minister of Energy, Mines and Resources (Mr. Lalonde) is present, I should like him to reflect on what I am about to say. If he is really out to smooth the troubled water and to relieve some of the anxiety of industry with respect to the government's future intentions, he should reflect upon this. I am referring to an exchange between a member of the New Democratic Party and the minister. The member referred to the Norwegians insisting on participation in all areas. That is not true at all. I would say they are insisting upon that in some areas. They are not necessarily, as a government or through their national oil company, participating in all ventures. We are insisting upon participation in all ventures on federal land. The member said that in some areas the Norwegians go in with at least 85 per cent public or government ownership. He asked the minister of energy why it would be only 25 per cent here, and the minister said, "We are only just beginning; give us a chance". Certainly these comments are not very prudent or well-designed to ease some of the anxiety and fear of the oil