

In conjunction with the Minister of Finance's announcement on the weekend of an increased Canadian contribution to the World Development Bank, Mr. MacEachen announced the formation of a new company, Petro-Canada International, into which the government will pump \$250 million for starters. Would the Leader of the Government tell us if the new company will be participating abroad on an equity or on a loan basis in the development of energy sources?

● (2030)

Hon. Raymond J. Perrault (Leader of the Government): Honourable senators, I shall take the question as notice. However, I do have some information about the possibility of trilateral aid programs involving Canada, the OPEC and developing countries. The honourable senator may be interested to know that the issue of the recycling of some of the oil revenues to developing countries has preoccupied the government for some time. There have been numerous contacts at the official level with various Arab financial institutions with a view to identifying possible areas for co-operation, and planning is proceeding for further such meetings in 1981.

I know honourable senators will be pleased to know that the general question—

An Hon. Senator: Dispense.

Senator Perrault: —of Canada-Arab co-operation is a subject which will be raised by the Prime Minister with Saudi authorities.

Senator Phillips: Having listened to that reply of several pages, I am not sure whether the Leader of the Government has taken the question as notice. Since the government leader went off on a tangent about the funding of the exploration work, perhaps he would also be good enough to determine what method Petro-Canada International will use to raise the necessary funds.

I would also ask the government leader to confirm whether it is the policy of this government to buy foreign-controlled energy companies operating in Canada in the interest of promoting an independent and nationalistic spirit at the same time as we are entering into arrangements in other countries, the type of which we believe to be detrimental to Canada and should be discouraged.

Hon. H. A. Olson (Minister of State for Economic Development): The honourable senator obviously has—

Senator Donahoe: A full understanding.

Senator Olson: —the policy stated by Petro-Canada International completely mixed up. There is no intention to acquire resource companies of other countries at all. It is partially in the form of a resource development to assist some of the Third World countries that do not themselves have the technical expertise necessary to develop their own natural gas and oil resources. Canada has a great deal of expertise in this field, and that expertise will be made available to these countries by Petro-Canada and hopefully will prove useful to them.

Senator Phillips: I have a supplementary question for the Minister of State for Economic Development. I am wondering

whether the minister, in mentioning the expertise we have available, has in mind the exodus of exploration companies from Alberta.

Senator Olson: No, honourable senators, I do not. We have enough experience to look after that requirement adequately and to help some of our more unfortunate sister countries that do not have that expertise.

TRANSPORT

CANADIAN NATIONAL EXPRESS—CLOSING OF TERMINALS IN ATLANTIC REGION

Hon. Robert Muir: I have a supplementary question to that posed by Senator Phillips to the Leader of the Government respecting the CN Express closures. The leader mentioned the question of pre-retirement with regard to those CN workers who would be laid off because of the closing of facilities. In relation to this pre-retirement program, I would ask the leader to bring to the chamber information as to what benefits will be forthcoming to these workers, some of whom have worked for many, many years for Canadian National, during the course of which they have given very good service.

I would ask the government leader to spell out for us precisely what this pre-retirement arrangement is and what will be received in the form of pension benefits by these workers.

Hon. Raymond J. Perrault (Leader of the Government): Honourable senators, this is an important question, especially for the employees involved. I shall bring as much information as I can to the chamber as soon as possible.

Senator Muir: I thank the government leader. Mention was also made of finding these workers jobs with CN in other parts of the country. Many of these workers in the Atlantic region have worked for CN for 20, 25, 30 years.

In the event of relocations, I would ask the government leader to inquire as to what arrangements may be made in respect of the expenses that will be incurred in relocating these workers and their families to other parts of the country. I have particular reference to the homes that these people have in the Atlantic region which they now cannot sell. Will some arrangement be made by Dr. Bandeen and his assistants and their assistants, and their assistants, who are stacked up in Montreal and Moncton and other centres in Canada, to come up with a brilliant idea that will be of benefit to these workers who have devoted their lives to the Canadian National Railway?

● (2035)

Senator Perrault: The important question asked by the honourable senator will be taken as notice.

ENERGY

IMPORTATION OF OIL FROM MIDDLE EAST

Hon. Peter Bosa: My question is directed to the Minister of State for Economic Development. Was Canada receiving oil