

Point of Order—Mr. Epp (Thunder Bay-Nipigon)

Mr. Speaker: Order, please. Fair is fair. The Member's preamble was on a different subject. The Member will now immediately put his question.

Mr. Hovdebo: Will the Minister restore the non-profit allocation to the Province of Saskatchewan, at least to the level at which it was last year, and make it possible for Saskatchewan residents to have projects in place without requiring the one-half allocation to be contributed by themselves?

Hon. Flora MacDonald (Minister of Employment and Immigration): Mr. Speaker, I always enjoy speaking about Challenge '85 and the remarkable number of jobs which it has produced both in the private sector and in non-profit organizations.

Some Hon. Members: Hear, hear!

Miss MacDonald: I am pleased to say that voluntary organizations, municipal governments, and the private sector, have all contributed to making Challenge '85 a great success.

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CLERK OF PETITIONS' REPORTS

Mr. Speaker: I have the honour to inform the House that the petitions, with the exception of two, presented by Hon. Members on Wednesday, May 22, 1985, meet the requirements of the Standing Orders as to form.

Certain petitions which were presented by the Hon. Member for Glengarry-Prescott-Russell (Mr. Boudria) do not meet the requirements of the Standing Orders as to form.

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POINT OF ORDER

MINISTER'S STATEMENT

Mr. Ernie Epp (Thunder Bay-Nipigon): Mr. Speaker, in response to a question a few moments ago, the Minister of State for Multiculturalism (Mr. Murta) suggested that the word "negotiation" was being imported into the discussions in dealing with the National Association—

Mr. Speaker: Order, please. Could the Member please come to his point of order.

Mr. Epp (Thunder Bay-Nipigon): I have a document which was issued last December by his directorate. That document twice referred to "negotiation". The document read:

A full and frank discussion was undertaken—

Mr. Speaker: Order, please. Clearly the Hon. Member is engaging in debate. He does not have a point of order.

ROUTINE PROCEEDINGS

[English]

GULF CANADA LIMITED

SALE OF SHARES

Hon. Sinclair Stevens (Minister of Regional Industrial Expansion): Mr. Speaker, I rise at this time to make a brief statement concerning what I believe is an important announcement, certainly for the oil and gas industry in Canada and, indeed, for all industry and Canada at large. Perhaps I should first read a press release, which was issued only a few hours ago, in which Chevron Corporation of San Francisco, California, and Olympia & York Resources Inc., a wholly-owned subsidiary of Olympia & York Developments Limited of Toronto, Ontario, today announced that Chevron has agreed to sell its holding in Gulf Canada Limited of Toronto to Olympia & York, Subject to Olympia & York being satisfied prior to June 18, 1985, with respect to certain regulatory and other matters.

The agreement provides that Olympia & York will purchase approximately 112 million common shares, or 49.24 per cent of Gulf Canada, for approximately \$22.21 Canadian per share, on or before July 16, 1985.

In addition, Olympia & York will purchase at that time an option on the remaining 25 million common shares of Gulf Canada which are held by Chevron. The price of the option is \$6 Canadian per share, and the exercise price for the optioned shares is approximately \$15.04 Canadian per share. The option is exercisable prior to December 31, 1985.

The press release further states:

Upon exercise of the option, Olympia & York will own 60.2 per cent of the currently outstanding common shares of Gulf Canada for an aggregate consideration in excess of Cdn. \$3 billion.

Olympia & York has advised Chevron that Olympia & York does not intend to make a similar offer to the other shareholders of Gulf Canada.

If I may, Mr. George M. Keller, Chairman of the Board of Chevron Corporation, concluded the press release by stating:

Although we are sorry to lose our major position in a fine company like Gulf Canada, we feel this is an excellent arrangement for all parties. The Canadian Government's objective of increased Canadian ownership has been met; from our side, the sale proceeds will be used to significantly reduce the debt incurred last year in our purchase of Gulf Corporation. The sale of these shares will put us significantly ahead of schedule on our debt reduction program.

Some Hon. Members: Hear, hear!

Mr. Stevens: I would like to highlight the significance of the proposed purchase which, hopefully, will be closed before the end of the year. It will be the largest single Canadianization of the oil and gas industry in Canadian history and, indeed, it is the largest such Canadianization in Canadian industry.

Some Hon. Members: Hear, hear!

Mr. Stevens: We believe it is particularly noteworthy that this repatriation of Gulf Canada to Canadian ownership will also result in the repatriation of certain cash assets which are