

REASON CHAIRMAN OF BOARD OF PACIFIC PETROLEUMS DID  
NOT MAKE ANNOUNCEMENT OF PURCHASE OF SHARES

**Mr. James Gillies (Don Valley):** Mr. Speaker, I direct my question to the Minister of Energy, Mines and Resources. If it is the government's position that this is a strictly commercial transaction and the government has nothing to do with it, why did the minister make the announcement, rather than the chairman of the board?

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

**Hon. Alastair Gillespie (Minister of Energy, Mines and Resources):** Quite clearly, this transaction, because of its size and importance in terms of the energy policy of Canada, involves some very important energy policy questions. That is the reason the minister made the statement.

**An hon. Member:** Very good.

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

INQUIRY WHETHER PURCHASE OF PACIFIC PETROLEUMS  
SHARES WILL INCREASE OIL PRODUCTION IN CANADA

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources? In view of the statement that the acquisition of Phillips Petroleum will not add one barrel of oil to the production in Canada, and in view of the fact that in 1974 the oil industry in this country sent drilling rigs down to the United States and cut back its drilling program so as to force the government to raise the price of oil, can the minister assure the House that Petro-Canada, with its new acquisition, will be used to ensure that Canadians will be able to get oil produced in this country and will not be held up to ransom by the multinational oil companies in this country?

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

**Hon. Alastair Gillespie (Minister of Energy, Mines and Resources):** Mr. Speaker, there are two points in the hon. member's question with which I would like to deal. The first one is that one of the reasons why it is important that this transaction go forward is the heavy oil potential associated with Pacific Petroleum and the initiatives Pacific Petroleum has taken in recent months which included, right from the very start, Petro-Canada, just as Petro-Canada has been involved in the heavy oil initiatives with respect to Saskatchewan. So I see this transaction as an opportunity for Petro-Canada to accelerate the development of the heavy oil potential in western Canada, for the benefit of Canadians.

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

**Mr. Gillespie:** The second point I would make is that this transaction will place Petro-Canada among the top ten petroleum corporations of this country. Therefore, it will be able to take its position alongside many of the multinational corporations on a much more equal basis.

*Oral Questions*

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, I have a supplementary question for the minister. In view of the statement that Petro-Canada bid up the market price of Phillips Petroleum, and this involved the sending of Canadian capital out of the country, has the minister investigated the action of Alberta Gas Trunk Ltd. last spring when they prevented Petro-Canada from buying out Husky by running the price up nearly \$20 a share?

Did this not involve paying a higher price than the market price, and did this not also involve sending Canadian money out of the country in order to keep Canadians from gaining some control of the heavy oil in western Canada?

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

**Mr. Gillespie:** There have been a number of very significant transactions involving the repatriation by Canadians of their oil properties over the past year. I can think of Ashland Oil, in which Canadian participation, for example, will go up significantly as a result of the purchase of Kaiser Resources Ltd. I can think, as well, of the Husky purchase by AGTL. There are a number of other Canadian corporations which were foreign-owned and which have been repatriated recently as a result of new initiatives by significant Canadian corporations. All of those have involved a transfer of funds from Canada to the United States.

This particular transaction has been organized in a different way. The funds have been borrowed in the United States, so there will not be a net flow of funds from Canada to the U.S. and, therefore, it will not have the same negative impact on the value of the Canadian dollar that some of these other desirable transactions have had.

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[*Translation*]

**FEDERAL-PROVINCIAL RELATIONS**

STUDY BY ECONOMIST HAZELDINE OF JOBS WHICH WOULD BE  
LOST TO QUEBEC IN EVENT OF SEPARATION

**Mr. Gilles Marceau (Lapointe):** Mr. Speaker, my question is directed to the Minister of Federal-Provincial Relations.

In view of the study conducted by Mr. Hazeldine, an economist, to the effect that a separate Quebec would lose only 21,500 jobs, can the minister tell the House if this conclusion is realistic, especially since two recent studies conducted by the federal government concluded that, should it separate, Quebec would lose 140,000 and 325,000 jobs?

**Hon. Marc Lalonde (Minister of State for Federal-Provincial Relations):** Mr. Speaker, first of all I would like to draw the hon. member's attention to the fact that Mr. Hazeldine's study is but one of the studies conducted by the Economic Council of Canada and that another study, conducted by two renowned economists predicts a possible loss of 152,000 jobs