

*Oral Questions*

**Mr. de Jong:** My question is this, Madam Speaker. Does the government now mean to repudiate the five-year plan it originally requested and approved, reducing to a charade its commitment to reach 1.5 per cent of GNP for research and development by 1985?

**Mr. Roberts:** Madam Speaker, certainly not. We are not repudiating the plan. What we are doing, as is normal in the estimates process each year, is determining the amount of money required to keep us on track with the planned objective.

AMOUNT OF FUNDS COMMITTED TO MEDICAL RESEARCH  
COUNCIL

**Mr. Bill Blaikie (Winnipeg-Birds Hill):** Madam Speaker, my supplementary question is directed to the Minister of National Health and Welfare. Could the minister tell the House why there is as yet no announcement of a renewed five-year plan for medical research in Canada? In doing so, would she please confirm or deny reports from the research community itself that there is only to be a paltry 7.9 per cent increase in funds for medical research, thus severely hampering the ability of the research community to do needed work in areas which the minister herself has indicated need attention, such as toxicology?

[Translation]

**Hon. Monique Bégin (Minister of National Health and Welfare):** Madam Speaker, I must point out to the hon. member that the budget of the Canadian Medical Research Council is now under study. Naturally, we will do the best we can.

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[English]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF CANADIAN SKIER MISS GERRY  
SORENSEN

**Madam Speaker:** I just cannot resist recognizing the presence in our gallery of Miss Gerry Sorensen, who last weekend won her first women's world cup downhill.

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

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● (1425)

PETRO-CANADA

ACQUISITION OF PETROFINA—ROLE OF FEDERAL GOVERNMENT  
IN FINANCING TAKEOVER

**Hon. Michael Wilson (Etobicoke Centre):** Madam Speaker, my question is for the Minister of Energy, Mines and Resources. Last week I drew attention to the existence of sloppy management on the part of Petro-Canada in the takeover of Petrofina. Yesterday we were treated to an incredible

display of this same sort of management when the chairman of Petro-Canada announced that he had reached agreement to acquire Petrofina but he did not have any understanding with the federal government as to what role the federal government would play in financing the large expenditure of \$1.5 billion. This amazing lack of control causes me to ask the minister the following: what instructions did he give to the chairman of Petro-Canada as to the basis on which they will take over Petrofina? Were there any limits set on the total size of the transaction? Was there any direction regarding the size of the company or the role which the government would play in the acquisition, or did the minister just simply say, "Bill, hop out and buy me an oil company and send me the bill later"?

**Hon. Marc Lalonde (Minister of Energy, Mines and Resources):** Madam Speaker, cabinet examined the negotiations with Petrofina and it authorized the acquisition, setting a maximum limit on the price to be paid.

**Mr. Siddon:** What was that?

**Mr. Lalonde:** The exact way this is to be financed is a matter which will be discussed between cabinet and the president of Petro-Canada.

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

**Mr. Andre:** When?

**Mr. Siddon:** Who is going to pay it?

**Mr. Lalonde:** Some funds may come from equity, some from borrowings and some from taxation. This is a matter we will review with the authorities of Petro-Canada, and a decision will be made in due course.

**Mr. Wilson:** Madam Speaker, the chairman of Petro-Canada said yesterday that he could not support any financing on the financial statements of Petro-Canada, that the total amount would be financed by the government through its tax. Mr. Hopper also said that the government "played no role in choosing the target or setting the price." Since the federal government has been called on to finance the entire amount of the transaction, could the minister explain why the federal government did not play a role in setting the price when in fact it is going to be called on to levy the taxes which will finance the entire transaction?

**Mr. Lalonde:** Madam Speaker, I regret that my hon. friend is distorting the facts even more than his leader does when he talks about Petro-Canada. The statement Mr. Hopper made was quite clear. He said it was considered conceivable that Petro-Canada could get less than 100 per cent equity from the government, and if it got less it would have to borrow the balance. I have not seen a report anywhere where the president of Petro-Canada said that it would all have to come out of equity and that they could not borrow for this particular purpose. I would hope that my friend would have a little more respect for the truth.

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