

*Oral Questions*

**Mr. Crosbie:** The answer to the hon. member is that it was his administration that passed the laws which permitted Shell Oil to pay no taxes last year. When we return PetroCan to the private fold, it will be paying taxes and will not be a Crown corporation sheltered from paying taxes in the future. There has been no decision on PetroCan yet. We have other imperatives to come before us, such as the energy situation generally and the budget. However, PetroCan will be dealt with and an announcement will be made as soon as cabinet has considered the latest analysis.

**Mr. Lalonde:** We have no answer, so I will come back to the energy minister. It appears that Tory times are bad times for Canadians except for one unemployed. According to the *Toronto Star* of November 10, Mr. Don McDougall, the former chairman of the task force on Petro-Canada, is being paid by the federal government to tour Canada to explain the task force report.

**Some hon. Members:** Shame.

**Mr. Lalonde:** He is using taxpayers' dollars to sell what we have obviously been told is not even government policy yet. My question to the minister is as follows. Are the 136 Conservative members and ministers in this House too divided to tell the people where they stand on this issue, or are they afraid to face the Canadian public and therefore rely on Mr. McDougall to go out and explain the policy? Will the minister put an end to this most objectionable type of contract, immediately?

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

● (1420)

**Hon. Ray Hnatyshyn (Minister of Energy, Mines and Resources):** It is clear to me, from that question, why I have not come across the hon. member's name in any paper or any newscast as a possible contender for the Liberal party leadership.

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

**Mr. Hnatyshyn:** The answer is straightforward. Mr. McDougall has now completed his duties and carried out his responsibilities as chairman of the task force. In the course of discharging those responsibilities, he was, of course, called upon to discuss the task force report which was mandated by this government. I make no apology for that; it is not a big deal. The only thing I can say about the hon. member is that he does not understand common sense when he sees it.

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**ENERGY****OIL IMPORT COMPENSATION**

**Mr. Speaker:** The hon. member for Winnipeg-Fort Garry.

**Some hon. Members:** Leader!

[Mr. Crosbie.]

**Mr. Lloyd Axworthy (Winnipeg-Fort Garry):** There seems to be a substantial amount of noise coming from the other side, Mr. Speaker. I have a question for the Minister of Energy, Mines and Resources. While the government is unfolding PetroCan rather than dismantling it, is the question of the payments under the oil import compensation program being investigated in terms of the fact that the amount of payment has risen from \$3 at the beginning of 1979 to \$11.50 at the moment? Aside from the fact that OPEC prices have gone up, has the hon. gentleman investigated whether the oil companies are working in concert to bring a larger proportion of higher price oil into Canada so that they will receive a higher subsidy from the Canadian taxpayer?

**Hon. Ray Hnatyshyn (Minister of Energy, Mines and Resources):** Let me say, Mr. Speaker, that I read only one paper with the hon. member's name in it as a leadership contender—

**Some hon. Members:** Oh!

**Mr. Speaker:** Order. Perhaps both sides of the House could get back to the question.

**Mr. Hnatyshyn:** The fact of the matter is, the scheme itself is designed to encourage importers to bring in lower-cost imports because there is a flat rate attached to them. That has been the subject of some discussion in terms of ensuring, on that flat rate basis, that there will be a supply available in view of the high prices on the spot market in some instances. However, it is a flat rate that is paid. In the second place we do, in fact, carry out an extensive audit by the department with respect to the books of the companies involved in the import compensation program. Independent audits undertaken by the department give us an assurance that fair and reasonable amounts are being paid under this program.

**Mr. Axworthy:** In the light of that answer, I would ask the minister: does he consider it a fair and effective audit when it is being conducted by one person in the Department of Energy, Mines and Resources on a six-month basis? Is that sufficient to take care of the monitoring and observations needed, or are we likely to run into the same kind of "effective" monitoring that we saw in the Irving Oil case?

**Mr. Hnatyshyn:** The Irving Oil case has nothing to do with the question posed by the hon. member. I am saying we are satisfied, now, that the audit system is working. If we can improve the system which was put in place by the previous government, we will do so. There are a lot of areas in which that is, indeed, justified.

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**CROWN CORPORATIONS****SALE OF DE HAVILLAND**

**Mr. Bob Rae (Broadview-Greenwood):** Mr. Speaker, I have a question for the President of the Treasury Board concerning