

Mr. Axworthy: I am simply quoting directly from the editorial. If you wish me to translate that, I will say that despite the Deputy Prime Minister's lengthy written submission:

—the actions of the federal Government—in the crunch— suggest that the West has been, if not written off, at least, as the accountants would say, written down.

That is the position taken by those who write for the *Calgary Herald*. It is informative to note that a newspaper that was once a strong supporter of the Conservative Party is now accusing the senior Minister from Alberta of deception and of misleading the public through the statements he made.

The problem is that westerners do not want that kind of public relations puffery. They do not want the Prime Minister making promises he will not keep. They want some kind of action. They realize very clearly that unless some direct action is taken immediately, the oil and gas industry will be in serious trouble.

I ask you to consider, Mr. Speaker, today's National Energy Board report which indicates that the present reserves in Canada's conventional oil fields may have a life of only seven to 10 years. Yet all the programs under the Western Accord were cancelled. All the incentives provided for frontier exploration and heavy oil upgrading were cancelled.

Where is Lloydminster? Where is Syncrude? What is happening in the frontier? Everything is closed down in the Beaufort and nothing is happening in Hibernia. There is no assistance being given. Yet at the same time, I read in today's *Globe and Mail* that the cabinet document that was leaked indicates that the Government is prepared to give a loan guarantee of \$200 million to General Motors of Canada, the wealthiest corporation in the world. However, the Government cannot provide loans for western Canadians so that they may go ahead with Syncrude.

What is the difference? Why is it that loan guarantees can be given to General Motors but somehow the oil and gas industry cannot get the same kind of consideration? This is occurring at a time when we have a report indicating that we do not have the proper reserves in our conventional oil and gas fields. We must recognize that within a few years, the countries on the Arabian coast, knowing that countries like Canada have short-changed themselves, will then be able to start raising prices and we will be helpless to respond.

How is it that we can tolerate a downturn in capital investment in this year alone of \$4.5 billion? This is particularly surprising because under the Western Accord signed by the Government and the oil-producing provinces, there is a very clear statement in Part I, Clause 9, indicating that if a sharp change in oil prices occurs, a mechanism will be triggered to provide for additional consultation and action. It seems that the Government was prepared to recognize that eventuality since it wrote it into the Accord but it is not prepared to recognize it when it comes to taking action on it.

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We are faced with an incredible vacuum in government initiative causing an incredible growth in welfare and unemployment rates and a lack of investment in the commodities of western Canada. The Minister of Energy has said that he is now taking a hands-off approach.

There is a model that should be followed, one that I applaud in part. The Government recognized that there was a serious economic problem in the City of Montreal, so it put together a blue-ribbon committee involving lots of Ministers. They came up with an economic blueprint to concentrate aerospace, high technology and petrochemicals in Montreal. There is nothing at all wrong with that. There is nothing wrong with the Government of Canada sitting down with the private sector to work out an economic blueprint and to concentrate and focus resources. However, why is this happening only in one region? Why is the Government singling out one area when there are the same kinds of problems being faced in western Canada? There has been not nearly the same effort or commitment there.

What is the difference? In western Canada, there is a recession of incredible depth. Industries are being brought to their knees. Yet we cannot get the same kind of action as Montreal got. That is a question westerners are beginning to ask themselves time and time again.

We know that there are opportunities for development. We know that action could be taken. In the last two or three days, Crow's Nest Pass coal producers have been in Ottawa putting forward a proposal for shipping clean western coal to Ontario. That is a good idea. On both sides of the House, we would support a national economic project. Because of the fact that the Government is negotiating a free trade deal with the United States which incorporates the principle of national treatment that states that there can be no formal program, particularly on freight rates that give a preference to Canadian industry that is not given to industry on the other side of the border, the prospect of bringing that type of coal project to fruition is virtually nil. On the one hand the Government is negotiating with the Americans for economic development, but it is putting a barrier in the way of a \$4 billion capital investment which would create 13,000 jobs and give hope to an important energy sector of Alberta because the Prime Minister and his technical advisers have said that we have this principle of national treatment that we must honour. I am sure that the Americans will hold their feet to the fire, because they will not let the Government of Canada introduce a program that will displace their exports.

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We know that there is the need for a development framework in the oil and gas industry, and a new set of revenue-sharing developments. There must be price stability in that industry. An industry cannot be knocked around like a ball on a squash court and have any hope of development in the future. The Government has refused to act in that area. It is taking no initiative to sit down with the oil producing provinces