

*Oral Questions*

negotiate. Has the minister entered into negotiations with the government of Saskatchewan—his friends in the NDP government of Saskatchewan—to resolve this pricing situation in Saskatchewan, particularly the question which may affect heavy oil production in Saskatchewan? If the minister has, at what stage are these discussions, and when does the minister expect a solution so as to save Canada this tremendous additional cost?

**Hon. Marc Lalonde (Minister of Energy, Mines and Resources):** Madam Speaker, I would remind the hon. member that Husky Oil, a subsidiary of Nova Corp., has indicated that it is increasing its exploration budget this year rather than decreasing it, contrary to other announcements by some companies.

**Mr. Wilson:** How about its production?

**Mr. Lalonde:** Second, I have had discussions with my colleague in the government of Saskatchewan, something I have been unable to do with my colleague in Alberta, and there have been discussions at the officials level. We both recognize that the combination of the taxation provided under the National Energy Program and the very high royalties provided for under the Saskatchewan legislation make it difficult with regard to certain wells for some companies. Those negotiations are taking place. I have had a very fruitful meeting with my colleague from Saskatchewan, and I am looking forward to further discussions in the next while.

## QUERY WITH RESPECT TO CHANGES IN PROGRAM

**Hon. John C. Crosbie (St. John's West):** Madam Speaker, my supplementary question is for the Minister of Finance. The hon. member for Annapolis Valley-Hants was the one who put "Hants in the minister's pants" to get action at the Michelin rubber factory.

**An hon. Member:** Try again.

**Mr. Crosbie:** I would not attempt to put ants in the pants of the minister of energy.

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

**Mr. Crosbie:** When the little red rump quietens down, I will go on with my question.

On October 28 the minister announced his new energy policy. Mr. Blair, a well-known Canadian nationalist, said yesterday:

—he is disappointed that the federal government has not yet substantially modified various provisions in the program that cut industry revenues and thus discourage exploration and development.

In view of that statement by a Canadian nationalist owning a Canadian-owned major oil company, is the minister now going to insist that this program be changed to meet these objections so that Canada can have some kind of an economic recovery in the 1980s? Will he overrule his colleague and bring in changes to the program?

**Madam Speaker:** Order, please.

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, if I may be permitted to comment on the hon. member's preamble about Annapolis Valley-Hants and the member for that district, I congratulate him for understanding the process, but I wish he would take the hon. member for Broadview-Greenwood behind the curtain and explain it to him so that understanding would develop on all sides of the House.

**Mr. Clark:** That is your job.

**Mr. Crosbie:** He is in bed with you. You are not in bed with me.

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

**Mr. MacEachen:** Madam Speaker, on the question which the hon. member raised, we have already undertaken significant changes in the program in response to representations from the industry. I mention the change in the treatment of exploration expenses and a change in the treatment of incentive payments with respect to the income or cash flow of corporations. As the Minister of Energy, Mines and Resources has said, we are prepared to consider changes as representations and changes are made. That is the situation we face at the moment.

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[*Translation*]

## PENSIONS

NATIONAL CONFERENCE ON PRIVATE PENSION FUNDS—  
INQUIRY WHETHER ALL PROVINCES WILL PARTICIPATE

**Mr. Jean-Claude Malépart (Montreal-Sainte-Marie):** Madam Speaker, my question is for the Minister of National Health and Welfare.

Could the Minister tell the House whether the provincial governments have all responded to the invitation to take part in the national conference on private pension funds? If not, can she tell us which provinces have not responded or have refused to take part?

**Hon. Monique Bégin (Minister of National Health and Welfare):** Madam Speaker, I am happy to report that no province has refused to take part in this conference. However, following the letter sent by the Right Hon. Prime Minister to the provincial premiers just before Christmas, the four Atlantic provinces, the province of Saskatchewan, the Northwest Territories and the Yukon have already appointed a minister responsible for pension reform, and I of course regret that the other provinces, especially Quebec and Ontario, have not yet found the time to do so. We hope that all those invited will be able to take part in this conference at the end of March in view of its importance for the pension funds of all Canadians.