Canadian people or this House in replying to the questions which I put to him the other night. But the situation becomes absolutely ludicrous and it can only be explained if one examines carefully what is really happening.

Alberta conventional crude oil reserves will be reduced by half in five years. Conventional crude oil reserves will be reduced by two-thirds, 66 per cent, in ten years. While the reserves decline, we are being told that this oil will be used.

The policy of the Department of Energy, Mines and Resources now appears to be to use the energy in Alberta first while seeking to bring in production from Crown land, the high Arctic and offshore.

• (2215)

I reiterate my feeling that the tar sands and heavy oil plants in northeastern Alberta are absolutely crucial to the economy of this country and to our security of supply. An injection of \$9 billion to \$10 billion for each plant, approximately \$20 billion in total, into the economy of Canada would do nothing but increase employment. The policy of the department must be reconsidered and efforts made to get those two vital plants on stream.

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I am pleased to state the government's position relative to the concern expressed by the hon. member for Athabasca (Mr. Shields) regarding the importance of bringing the Alsands project into production as soon as possible.

When the minister responded to the hon. member's questions on December 4, he explained that the federal government is fully committed to this project, but that he alone could not give absolute assurance that satisfactory negotiations would be completed to ensure that the project would proceed, simply because he could not speak for the government of Alberta. However, he reminded the House that the record showed that the federal government has always been ready to join in making certain that oil sands and heavy oil projects will take place. In this context, hon. members will recall that the federal government took the initiative in February, 1975, to save the Syncrude project. At that time, the governments of Alberta and Ontario, and the three private participants responded, and the project went ahead on schedule.

The National Energy Program reflects the emphasis being placed on oil sands and heavy oil development through such measures as the maintenance of the depletion allowance, the provisions of special tax incentives for heavy oil upgrading plants, and the application of reference prices at or close to international prices to encourage the opening up of these resources. Indeed, under the National Energy Program, we are offering incentive prices well above the level which project sponsors could have foreseen when any of the projects now in a planning or implementation phase were initiated and we are continuing our discussions with them.

I should like to emphasize the position always taken by the federal government, that the opening up of all new potential

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energy sources is a matter of high priority. The oil sands certainly do not take second place to Arctic resources or offshore discoveries. Canada needs to have all these projects brought into production as soon as possible.

We are continuing to seek an agreement with the Alberta government on both the Alsands and Cold Lake projects either as part of a comprehensive pricing agreement or separately to establish a stable and attractive regime for high cost oil projects. The Alberta government has, however, chosen to withhold its approval of the new tar sands plants until a comprehensive petroleum agreement is reached. Canadians are relying on a fair and reasonable response on the part of the government of Alberta in support of this highly important resource development project.

ATOMIC ENERGY OF CANADA LIMITED—DISPOSAL OF NUCLEAR WASTE

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, a couple of weeks ago I asked the Minister of Energy, Mines and Resources (Mr. Lalonde) a question about whether he approved of a policy of Atomic Energy of Canada which I found in an internal document of AECL written by the Director of Public Affairs for Waste Management at the Whiteshell Nuclear Establishment. With regard to the approvals process for waste disposal sites, it was written, and I quote:

—initiatives have been undertaken at both provincial and federal levels to have the approvals process changed in order that research areas may be obtained

without forcing local councils (perhaps miles removed from a potential research

area) to express their opinion by way of resolution.

The minister did not seem to know what I was talking about, particularly when I mentioned Lac du Bonnet, which I had to tell him was in Manitoba. This is forgivable, and I expect to hear tonight—although I do not really expect it because I know the parliamentary secretary will drone on as usual reading the statement prepared for him—whether the Minister of Energy, Mines and Resources approves of this policy of AECL whereby it is trying to circumvent the democratically expressed will of communities like Lac du Bonnet which in this case is to be the site of an experimental waste disposal vault.

When the minister replied to my question, he talked about federal and provincial processes of approval. He never said anything about the approvals process as it pertained to local councils. I ask whether this recommendation had anything to do with the fact that a candidate for reeve in the rural municipality of Lac du Bonnet, who was critical of AECL in the most recent election there, beat the incumbent who was not as critical, to put it mildly, of AECL. I think it does, and I think it underlines the extent to which the public affairs aspect of AECL's program is just public manipulation and intimidation and little else. A company which really respected the public's mind and was really into public affairs as such would re-think its project or would re-think itself rather than the approval process when faced with this kind of circumstance.

• (2220)

I want to make myself clear. I support research into how to dispose of nuclear waste which is already a fact. If Lac du Bonnet is suitable for such simulative research, tell us about it,