

I wish, on behalf of two of the ministers of the Crown, to explain their absence today.

Senator Perrault, the Leader of the Government in the Senate, who has obligations with reference to the Pacific Rim Conference, had hoped to make special travel arrangements that would enable him to be here this afternoon for Question Period at least. Unfortunately, those arrangements fell through and, owing to the exigencies of time schedules, Senator Perrault at the last minute had to leave on a flight to British Columbia in order to attend that conference, and is thus unable to attend this afternoon's sitting.

As you may recall, Senator Olson did inform us yesterday that his presence was required in Alberta today. I apologize to the Senate for his absence, but he does expect to be here tomorrow. Both ministers will be making strenuous efforts to return for Question Period tomorrow. I am sure Senator Olson will be here, but I am not sure whether Senator Perrault will be able to return in time.

I understand that Senator Argue will be here this afternoon. I am sorry he is not yet in the chamber, but I will do my best to answer any questions I can on behalf of the government in the absence of the ministers, or to forward them to the appropriate ministers.

**Hon. Duff Roblin (Deputy Leader of the Opposition):** Honourable senators, I am one of those who will miss the attendance of our honourable friends on the other side during Question Period. I do hope they will be back tomorrow. I can well understand why two of them, at least, have thought fit to take themselves to western Canada. I am not sure that they can do very much to explain the present government to western Canada, but I hope they can do something to explain western Canada to the present government, because one of the problems we have in this country is a lack of sound advice being funnelled into federal government channels as to the state of affairs in the west.

**Senator Frith:** Honourable senators, I know that Senator Perrault and Senator Olson will be reassured by Senator Roblin's encouragement for them to spend time in the west explaining government positions there.

## ENERGY

### DEVELOPMENT OF DOMESTIC HEAVY OIL RESERVES— NEGOTIATIONS BETWEEN FEDERAL GOVERNMENT AND GOVERNMENT OF ALBERTA

**Duff Roblin (Deputy Leader of the Opposition):** Honourable senators, I should like to address one question to the Deputy Leader of the Government that normally I would have addressed to the Minister of State for Economic Development. I expect that the deputy leader will have to reserve his answer.

I am interested in knowing what progress is being made by the federal government in opening negotiations with the Province of Alberta on the question of oil and gas, and overcoming the present impasse. I am particularly interested to know if there has been any movement in the negotiations with the

[Senator Frith.]

respect to the synthetic oil supply that may be obtained from the tar sands and the deep oil sources in Alberta.

**Hon. Royce Frith (Deputy Leader of the Government):** Honourable senators, I share Senator Roblin's interest in the question of alternative sources of oil and gas, underlined as that question was by the declaration of Imperial Oil that we heard about on the news today. I hope, because of the importance of the question, that we will have some answer on it tomorrow, when Senator Olson returns. I shall try to see that Senator Olson receives a copy of that question before the sitting tomorrow afternoon.

● (1415)

**Senator Roblin:** I thank my honourable friend for his answer, because he is quite right in saying it is a matter of considerable importance. The Cold Lake potential is 140,000 barrels of oil a day. While it may be comforting to some to know that apparently our priority is dedicated to getting 100,000 barrels a day from our OPEC friends in Saudi Arabia, I would really be anxious to know why that priority is not given to the development of indigenous Canadian sources, because if that is the case the money stays in the country and the cash-flow developed from that goes to the creation of jobs, not only in one province but in many provinces, including Ontario, where de-industrialization is threatened. So it seems to me that as well as having a statement regarding negotiations, it would be interesting to have government policy as to the priorities it accords to the Cold Lake development.

**Senator Frith:** Honourable senators will remember that in answer to a question raised yesterday, Senator Olson pointed out that Saudi Arabian oil is not of the same character or classification as oil from alternative sources, such as tar sands and heavy oil deposits, which requires enhanced recovery.

That does not change the importance of the question asked by Senator Roblin, but I do wish to underline what is already on the record, namely, that oil sands and heavy oil cannot be considered alternatives to lighter Saudi Arabian oil in terms of availability for immediate delivery. That, however, still leaves the question of policy with reference to the initiatives the government wants to take in order to recover alternative sources.

**Senator Roblin:** I thank my honourable friend for his comments, because they simply underline the importance of the point I am making. We have been told that it is the government's goal to reach energy self-sufficiency by 1990.

While it is apparently true that these unconventional sources of oil have to be upgraded, this upgrading is obviously part of the process. When the oil is upgraded, then essentially it is barrel for barrel of the same quality as imported oil. So more of us are very concerned about the problems which have arisen and have been on the agenda for approximately two years with respect to proceeding with Cold Lake and unconventional sources of that kind. I merely want to tell my honourable friend that his comments are correct and they underline the importance of getting some action on this now.