

ensure Canadian people security of supply in the early 1980's.

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. gentleman may recall that last week I suggested, both to the industry and to the government of Alberta, that financial assistance would be available from the government of Canada and that this would pick up at least some of the cost being foregone by Arco and the Syncrude project. One of the principals of Syncrude will be in Ottawa this afternoon to give us a report on his discussions with Premier Lougheed. We have not heard from the province of Alberta about our offer. We will this afternoon get a fuller report than we have had heretofore about the cost factors affecting Syncrude. We shall know of the cost factor problems being faced in all the oil sands projects.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. As the minister has discussed these matters with Mr. Dickie, the mines minister of Alberta, and as he is to discuss them with Syncrude, what proposal will the government make? Is the government offering to take an equity interest in these developments, so that there will be public participation, or is the government merely contemplating advancing money by way of a loan? What is the government's position on the possibility of the people of Canada themselves owning an equity in the development of this large reservoir of oil?

Mr. Macdonald (Rosedale): Mr. Speaker, the position we have taken both with the province and the companies is that while the government of Canada would like to be of assistance, we feel we are entitled to a much fuller explanation of the circumstances surrounding the oil sands deals than has been the case heretofore. As the hon. gentleman knows, the federal government has not been invited to participate in them and, indeed, has been on the outside looking in on these particular projects. We feel, before any public funds are made available, that we should have certain information from the companies and, if the government of Alberta is interested, from it as well, as to the nature of the problems there and about the kind of cost factors which are to be faced. At that point I think we will be in a better position to respond specifically and say whether we are taking an equity position or advancing a loan, or, indeed, determine what other financial or fiscal measures are relevant to the oil sands projects. Our first objective is to seek a better factual description of what the situation is.

ALBERTA OIL SANDS—POSSIBLE FEDERAL AID TO HOME OIL
IN DEVELOPMENT OF LEASE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask a final supplementary question. As Home Oil, the only Canadian-owned company with a lease in the Alberta oil sands, now says that it is experiencing great difficulty in obtaining sufficient capital to develop its lease, is the government prepared to negotiate with Home Oil, with a view to taking over the lease and developing it either through Petro-Can, once that is set up, or through Canada Development Corporation, or in partnership with Home Oil. I suggest that the Canadian people

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are far ahead of the government in being prepared to agree to public investment in this resource, in order to bring about its immediate development. Is the government prepared to move in that direction?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I think it is fair to observe that the Canadian people may indeed be right in this regard. However, the federal government's position has been that we would not proceed with the oil sands development without the approval of the province which has jurisdiction over that resource. At the moment that approval is not forthcoming. I must say that the most critical situation relates to Syncrude, the project which is actually under construction and the one most likely to go into production. We must make sure that the rhythm of the construction is not interrupted, if that is at all possible. With regard to the Home Oil leases, I will be glad to discuss them with representatives of the company, possibly with the participation of and, again, subject to the approbation of the government of Alberta.

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THE CANADIAN ECONOMY

INFLATION—INTENTION OF GOVERNMENT IN SEEKING
CONSENSUS OF VARIOUS GROUPS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct my question to the Minister of Finance to do with the policy he is pursuing and to do with consensus. Will the minister make a statement on motions indicating the government's position following the conclusion of the conference with the provincial ministers of finance and provincial treasurers. One is under the impression, from what the minister has said to the press, that these matters have been discussed. In view of the odd word thrown out by the minister which suggests that he is up to something, will the minister take the first opportunity and tell the House, on motions, what measures the government is proposing to establish consensus? I ask this in view of the 12 per cent inflation rate in this country. As far as I can see, the Minister of Finance is playing games with this House. Will he make a statement to this House and tell us his position on this matter?

● (1540)

Hon. John N. Turner (Minister of Finance): Mr. Speaker, when the process I described quite fully to the House has reached the right stage, at the appropriate time the hon. member's suggestion will be taken into account.

Mr. Stanfield: The minister speaks about an appropriate time. Does the Minister of Finance stand in his place and say he explained this position with regard to consensus in the budget speech? I will challenge him if he says that. With the present rate of inflation, does the minister not think that this House and the people of this country are entitled to know what policy, if any, the government is pursuing?

Mr. Turner (Ottawa-Carleton): Yes, indeed, Mr. Speaker.