

Venezuela, and to many other places in the western world. We cannot afford to lose these experts. We are on the verge of putting technology at the disposal of Canadians, technology which we will be able to sell right across the world when the energy crunch comes.

Instead, what are we doing? We cannot sit down with the producing provinces to work out an agreement. If this government approached the producing provinces as if it were really prepared to sit down and negotiate, we would have an energy agreement within a month. Just think for a minute what it must be like, as one of the producing provinces, requesting the government not to impose under any circumstances an export tax on gas or a tax on oil at the wellhead. The producing provinces are saying, "Look, if you tax at the wellhead, that is the first tax and you will control the resource, but control and ownership belongs to the province. If you put an export tax on natural gas, you control the production of natural gas, and that belongs to the province. We will negotiate everything but those two things." The whole national energy policy was based on raping the producing provinces by putting a tax at the wellhead and by putting an excise tax on natural gas.

The Minister of Energy, Mines and Resources (Mr. Lalonde) tells us, "I am ready to sit down with the producing provinces at any time, but they will not sit down with me." He says, "We are ready to negotiate an energy agreement, but they do not want to negotiate." The provinces have said in answer, "Show us you really mean business and we will sit down with you." In this House, in answer to questions put by hon. members on this side and by myself, the Minister of Finance (Mr. MacEachen) and the Minister of Energy, Mines and Resources have indicated they are not prepared to change the national energy policy. I say to you, sir, that the present government should be prepared to say to the producing provinces, "Look, maybe we have made a mistake with this national energy policy, everyone in the industry says we have, and the economic community says we have." The government should say, "Let us take another look at it, let us bring in the principles that are involved, let us sit down and work out an agreement." If it did that, I believe an agreement could be reached. It takes men of good will, but good will is not spread in the producing provinces by ministers going out there and making one statement and then coming back to the House and making another. Good will is not created by the Minister of Energy, Mines and Resources going to Alberta and saying that the oil companies always cry about a new energy policy. At least they did not bring in the CIA, as they have in other countries. All that does is create animosity, and I find that deplorable. What do we see in terms of negotiation?

● (1610)

We see headlines and news releases emanating from Ottawa about the greed of the producing provinces. I say to hon. members opposite that there is not greed. The producing provinces want fairness and equity. They want to be treated like every other province in confederation. The government must understand that the producing provinces in western Canada are no longer prepared to remain second-class citizens.

### *Borrowing Authority*

They want to be able to stand beside Ontario and Quebec and say they are equal. That is not too much to ask.

We are not talking about price. In its offer of last July, Alberta said it would freeze the royalty rate at its present level and not raise it again for the life of the agreement, meaning that if the price of oil goes up there is lots of room for the federal government to move in and take more and more.

This government is obsessed with splitting up the economic pie. I suggest the government should become obsessed with creating a much bigger economic pie, but this government will not create a bigger economic pie with this energy policy and budget; it will create an atmosphere which forces the industry right out of Canada, and mega projects to cancel their plans.

Ten billion dollars of investment has gone down the drain north of Fort McMurray at the Alsands project; \$11 billion is on hold at Cold Lake; Syncrude Canada, ready to expand so it could increase its output by 60,000 barrels a day, has put \$3 billion on hold; Texaco Canada, ready to spend \$240 million to upgrade its experimental project—still experimental—has said, "No, we are putting that on hold because we do not know what is happening in Canada; the place has gone crazy." Amoco has pulled out and said, "We cannot afford to spend any more time on research and development in the tar sands because we do not see a stable political climate in Canada". Amoco says we do not have a stable political climate in which to invest in research and development or in the tar sands heavy oil industry. I find that to be absolutely shameful. I could go on about projects which have closed their doors and said they will not continue. When we talk about oil rigs leaving Alberta and Saskatchewan, we are pooh-poohed by hon. members on government benches. They say this cannot be happening. I am telling them it is happening. It is happening to an extent which even the most doomful forecasters at the time of the energy policy and budget in October did not anticipate. It is happening to an even greater extent than that, and we do not have much time because once the rigs are gone, they will not come back. It will take years to recover the loss of technology which goes with that, let alone the rigs.

There is a list of people who have pleaded with the government to pull in its horns, to lay the national energy policy on the table and go over it again. I suggest that the Minister of Energy, Mines and Resources sit down with the principal players in the energy industry. I suggest he call in independent Canadian oil companies and the large multinationals. I suggest he bring in representatives of the federal government and of the provinces, sit down and really examine how to set a national energy policy which will make the economy of Canada hum.

Can hon. members imagine the economic effect in Canada there would have been today had there been an energy agreement? Can hon. members imagine what would be happening today if the Alsands plant at Fort McMurray was under construction and going, and if the one at Cold Lake was under construction and going? There would be a ripple effect throughout our economy which would be unbelievable but a beautiful thing to behold. There would be a boom in the