

will be pleased to stand up and admit that falsehood when he knows the facts.

Let me say here that the federal government is going to keep its commitment to help establish and bring into being a grain terminal at Prince Rupert and has never reneged on that promise, and it will not renege on the promise to play its part. That promise was made originally by a Liberal government prior to May 1979. The commitment is to play the lead and pay most of the \$43 million needed to help bring the infrastructure portion of the facility into existence.

Meetings are being held in Ottawa today to attempt to finalize arrangements. Surely it should have been possible for the Conservative Party to have made itself aware of the facts before Senator Roblin spoke in the Senate today. Why irritate the situation in western Canada and cause unnecessary anger in the people in the west. What is the motive? And the New Democratic Party has done precisely the same.

**Senator Smith (Colchester):** Everybody is wrong but you.

**Senator Perrault:** Let me put this on the record, and if the honourable senator wishes to dispute the facts, let him stand up and do so. It was a Liberal government that conceived the Prince Rupert plan in the first place, in co-operation with a broad consortium of western grain firms, including three private companies and something like four or five co-operatives, as well as at least two provincial governments. Prior to the election in May of 1979, Liberals had done an extensive amount of work on their own, and with the consortium, to bring this development into being.

● (1550)

**Senator Asselin:** Give us evidence.

**Senator Perrault:** In May of 1979 a new government came to power. Certain conversations were held between the new minister and the consortium and others. In fact, it might have been possible even to see on-site work beginning at Prince Rupert during the construction season last year, but the action taken by the Conservative administration at that time failed to bring this about because Mr. Mazankowski, the minister responsible, said that he wanted to review the proposal.

It is regrettable that time was lost in 1979 on this crucial western development. The present government is determined to get it going this year. The Honourable Jean-Luc Pepin—

**Senator Murray:** Would the Honourable the Leader of the Government permit a question?

**Senator Perrault:** May I complete my statement, and then honourable senators may question me all they wish?

The Honourable Jean-Luc Pepin, and our Senate colleague, the Honourable Senator Argue, met in Regina on April 3 with the representatives of the consortium, and at that meeting public concerns about the user-pay concept and the rumoured withdrawal of federal funds from the project were laid to rest. Why was it impossible for the Progressive Conservative Party of Canada to determine those facts?

The ministers also met with representatives of the Saskatchewan government to invite that province again to make a

contribution towards the construction of this facility—a contribution similar to that being made by the Provinces of Alberta and British Columbia. As yet there has been no final reply from Saskatchewan, but it is to be hoped that the province will want to become involved in this development, which will have a major beneficial impact on Saskatchewan's grain economy.

The result of patient Liberal negotiation with western governments has led to an agreement which at the present time will see over \$4 million contributed by the Province of British Columbia, over \$4 million contributed by the Province of Alberta, and possibly up to \$4 million by the Government of Saskatchewan. Another \$13 million will be directed to a wharf. It is yet to be determined whether the consortium will build that wharf, or whether it will be built by the National Harbours Board. In total, however, present plans are that there will be a substantial direct contribution by the Government of Canada. We regard this project as one of undoubted national importance.

So why is it that this issue has been used as an example to illustrate the alleged callous disregard of western interests by the federal government? It is an allegation unworthy of the honourable senator, who should have known the facts.

**Senator Smith (Colchester):** Don't be a hypocrite.

**Senator Perrault:** Hopefully the negotiations which are under way today with the National Harbours Board will result in a favourable announcement very shortly.

Another example of this opposition method of playing the alleged grievances of the west almost like a Stradivarius violin, was Senator Roblin's statement concerning tar sands development. He stood up and very self-righteously cited this important matter as another example of Liberal government insensitivity. Where does the tar sands agreement stand? Rapid hikes in world oil prices have made returns to the tar sands operators even more lucrative than they had imagined, exceeding all estimates. The fact is that the federal government has not said yet what the eventual price is to be. This is to be negotiated, and will be negotiated fairly, to make sure there is a fair return for those people who invest their money in tar sands development, and a fair and realistic price for all concerned. That price is to be negotiated between the federal government and the companies. The federal government does believe that our domestic price should be more closely reflective of the domestic costs of production.

The senator went on to say that we have paid too high a price for Mexican oil. In fact, until our own sources of supply can be accelerated and brought on stream, our intention is to protect the vulnerable import-dependent regions of Canada. Yes, and we are concerned about the Atlantic provinces of Canada, Honourable Senator Smith—

**Senator Smith (Colchester):** You had better be.

**Senator Perrault:** —and that is why we have moved in this direction.

Mexican oil is a secure supply. We must pay a price for security, and that security is designed to help the oil-insecure