of each other's energy plans and requirements. Members of the European Parliament were particularly interested in Canadian plans for developing and transporting natural gas and coal, and in Canada's oil pricing policies. The Canadian members asked about prospects for a European energy policy, and took note of Greenland's particular environmental and cultural concerns about the transportation of liquid natural gas through the Davis Strait.

The two delegations also discussed a number of political subjects including the Polish situation and the CSCE Review Conference in Madrid, on both of which they had very similar views.

Sir John Stewart-Clark and Senator Van Roggen were very pleased with the results of the working sessions and expressed their determination to continue these useful exchanges with a meeting next year in Canada, possibly in Vancouver.

1981 BUDGET: THE NATIONAL ENERGY PROGRAM

The Canadian federal budget which was brought down on October 28 has at its heart a new National Energy Program reflecting the Government's view that energy development will be the locomotive of significant economic growth in the Canadian economy in the next few years. The new program is designed to promote that development and to ensure growing Canadian control over it.

The National Energy Program is a comprehensive package which includes pricing policies, fiscal measures, expenditure programs, and direct federal government action to achieve goals of energy security, opportunity and fairness for Canada and Canadians. It is intended to restructure Canada's energy system, to balance domestic oil supplies with domestic demand by 1990, to achieve an equitable sharing of energy benefits and burdens among Canadians, to lead to a high level of Canadian ownership and control of the energy sector, to expand the role of the public sector in oil and gas, and to ensure greater industrial benefits from energy development.

The Government is committed to a single price for crude oil in Canada (subject to transportation cost differentials) and gradual price increases to foster the development of new supplies. Under a blended price system Canadian consumers will pay prices that will rise substantially over time but which will not exceed 85 percent of world prices or the average price of oil in the USA, whichever is lower. Current oil export taxes to match world prices will be continued, but proceeds will be shared equally between federal and provincial governments. A new tax will be imposed on natural gas and gas liquids whether for domestic consumption or for export.

The Government intends to purchase several of the large oil and gas companies now operating in Canada and to provide incentives for Canadians to invest in oil. There will also be requirements for majority Canadian participation in the exploitation of the tar sands and the lands under federal jurisdiction, and for the use of Canadian goods and services in exploration, development and production programs on federal lands and in major non-conventional oil projects.