

and I would say that it is a pretty poor fishing expedition at that.

Mr. Hnatyshyn: I have only got you on the hook. What do you expect?

Mr. Lalonde: Contrary to what the Hon. Member has said, I challenge him. He has not met recently with the Canadian Bar Association and the Canadian Institute of Chartered Accountants jointly. I bet him that he has not met with them. I have met with them.

Mr. Hnatyshyn: Look at our task force.

Mr. Lalonde: I am sorry he has made a statement about their views. I have met with them repeatedly, before and since the Budget. They have endorsed fully the measures contained in the Budget aimed at reforming income tax and excise tax.

Mr. Hnatyshyn: Are you calling those people liars?

Mr. Trudeau: Are you? You're the liar.

Mr. Lalonde: They have endorsed the proposals that were contained in the Budget, so my friend had better acquaint himself with the facts before standing in the House and making such statements.

Some Hon. Members: Hear, hear!

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● (1125)

INDUSTRY

PROPOSED CLOSURE OF MONTREAL PETROCHEMICAL PLANT

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, my question is for the Prime Minister. It deals with the proposed closure of the Petromont petrochemical plant, the loss of approximately 235 jobs in that plant, and the threatening of the downstream jobs, which comes to a total of about 750 jobs in the City of Montreal. This situation appears to have come about because the Government refuses to get involved in incentive pricing for petroleum and natural gas, and refuses to provide adequate assistance to those companies to revamp their plants and assist them with liquid natural gas. Will the Prime Minister, as one of the representatives from that area, indicate his willingness to inquire into this matter and see whether his Government might be prepared to save those jobs?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Government has been examining this issue very carefully over the last several months. The Minister of Regional and Industrial Expansion has received the report of the special task force on this subject. I recently discussed this issue extensively with the Quebec Minister of Finance. Both the Quebec Government and the federal Government are in contact to see what steps will be required in that regard. The Minister of Energy, Mines and Resources is also involved. I assure my hon. friend that the Government is very much on top of this

issue. We are working with the Province of Quebec to see what steps would be reasonable and satisfactory at the present time.

Oral Questions

GOVERNMENT PLANS

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, it is well known throughout the affected area that the Government task force report is such that the recommendations are going to put the industry under in that area. There is substantial concern in the Sarnia area that Polysar and, in particular, Petrosar, will be in serious difficulty if the Government is not prepared to get involved in incentive pricing.

The task force recommendations are such in terms of financing the conversion to gas liquids that we will probably see that company with continuing losses, cutting back its production, and creating a very difficult situation.

Is the Minister stating to this House that the Government does not have a game plan at this point to save the jobs at Petromont, the roughly 700 jobs affected there, and the 2,000 jobs in the combination of Petrosar and Polysar? Is the Minister stating that at this time the Government does not have an effective mechanism to assist a very viable petrochemical industry in Canada?

Hon. Marc Lalonde (Minister of Finance): Of course not, Mr. Speaker. The best evidence is that some steps have already been taken, or at least have been discussed with the Province of Alberta. The Minister of Energy recently said that there were discussions with the Government of Alberta concerning the possibility of a special incentive price for additional sales of natural gas in Canada. A number of other steps are being examined and considered. We are indeed concerned about the future of the industry both in Sarnia and the Montreal area. We have been meeting with the spokesmen for those industries, repeatedly. As I indicated, I have had discussions with the Minister of Finance of Quebec. I believe that the Minister of Regional Industrial Expansion has also had discussions with the Government of Ontario on this issue.

FINANCIAL ASSISTANCE REQUIRED

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, the question did not deal with Alberta. It did not deal with the Government's rather disjointed incentive program. We are talking about Eastern Canada, the Province of Quebec, and the City of Montreal. We are talking about thousands of jobs, hundreds of millions of dollars in exports, and service to a very large domestic market in Ontario, the eastern-based petrochemical industries, those in danger of going down the drain. It is unfortunate that the Minister has sidestepped this very important situation. The other point is that the Government's task force is letting them sink as well. The Minister knows that.

Is the Government prepared to have this very important industry go down the drain? This is because it is not prepared to give adequate financial assistance to convert to liquid gas