

Let us now look at the Conservative government record. In Manitoba the rate fell from 9 per cent to 8.4 per cent. In Saskatchewan it fell from 8.5 per cent to 7.5 per cent. In Alberta it fell from 12 per cent to 10 per cent. In B.C. it fell from 15.2 per cent to 13.3 per cent. Some 135,000 new jobs were created, not by the Government, but because we created a climate conducive to the private sector creating new jobs and new opportunities.

**Some Hon. Members:** Hear, hear!

**Mr. Mazankowski:** I will tell you what else the Liberals did in those last four years. This is the root cause of all the problems we face in this country: they chalked up \$126.7 billion worth of deficits. It was \$13.5 billion in 1980, \$14.8 billion in 1981, \$27.7 billion in 1982, \$32.4 billion in 1983, and \$38.3 billion in 1984. How is that for a record? You know what we are doing? We are turning it around.

**Some Hon. Members:** Hear, hear!

**Mr. Mazankowski:** It has been brought down from \$38 billion to \$32 billion, and it will be down to \$30 billion next year. As a result, interest rates dropped by 4 percentage points.

I will conclude with this comment from the C. D. Howe Institute. They said that "In the first two years of its electoral mandate, the federal Government has made progress on many economic issues and has begun to face some of the fundamental and long-standing problems of the Canadian economy. Staying on course offers the best opportunities for long-term growth of the Canadian economy". It will work in Canada, Mr. Speaker. It will work in the West. We will create jobs and opportunities and a satisfying future for all Canadians.

**Some Hon. Members:** Hear, hear!

**Mr. Deputy Speaker:** Questions or comments.

**Mr. MacLellan:** Mr. Speaker, we just heard the Deputy Prime Minister (Mr. Mazankowski) for approximately 20 minutes but we did not hear one recommendation, one idea or one intention of the Government with regard to the energy sector in western Canada. All we heard was a 20-minute attack on Liberals, past and present. If the Government has any intention of doing anything for the energy sector, it has had plenty of time today to say what it was going to do.

The Prime Minister (Mr. Mulroney) agrees that further help is necessary for the energy sector. He said on November 24 that the federal Government is "going back to the drawing board to help Canada's oil industry". The drawing board must be in the Himalayas because we have not seen any action or initiative. The Government backed away from the Husky upgrader. In its Supplementary Estimates the Government had allocated \$20,400,000 for the upgrader in Regina. Some \$9,400,000 was for development engineering, preliminary studies and other work. Some \$11 million of that \$20,400,000 was a contingency fund in case the project did not go ahead.

### Supply

What about Syncrude? It has been talked about so intensely in western Canada in the last few months. The Government said it is going to get involved. The Premier of Alberta said that he expected an answer by Tuesday. Now he says he is going to get an answer by Christmas. This is a good time. Why not tell the people in western Canada, particularly in Alberta, what he will do to help the Syncrude project?

● (1730)

**Mr. Mazankowski:** I am sorry that the Hon. Member missed the point. We have been trying to undo the damage the Liberals did while they were in office, particularly in the last four years. It has been a very serious matter.

The fact is that by putting together the Western Accord and dismantling the National Energy Program, in 1985 we established record energy activity in western Canada with some 11,273 wells drilled. There was \$10.5 billion worth of new investment put into that sector.

The rapid decline in oil prices was not created as a result of this Government's policies, but as a result of the economic and pricing discipline half-way around the world. Of course, we must respond and, as a result, the PGRT removal was accelerated. It is estimated that this alone will activate some 540 wells. In total, some \$3 billion in tax relief has been provided to the energy sector.

I indicated that the Liberals extracted \$9.25 billion in the last two years of their regime. We have cut that to almost nothing. The 25 per cent retroactive claim that the Liberals put in place was very offensive to the oil industry. It is gone.

One need only look to IPAC or the Canadian Petroleum Association to see that we are fulfilling the kinds of policies that they suggest will reactivate and re-energize the energy sector. We are providing support for the Husky upgrader. The engineering studies and the determination of the final estimates process is proceeding and we have contributed \$36 million in direct aid.

We have not backed away from Syncrude. The negotiations are continuing and we are studying the proposal that we received only a week ago today, or tomorrow.

We have deregulated the gas industry, which not only helps consumers but gives the gas producers in western Canada an opportunity to explore markets which they did not have. This is good for farmers because it will eventually reduce the price of fertilizer. It is good for Canada, the industry and consumers.

Most important, we have created a positive investment climate. We have brought down the interest rate, which was the major killer in the energy and agricultural sectors. Not only is there business confidence, but investor confidence is at an all-time high. This global influence is very important and does not apply only to the energy sector but affects also the economic well-being of Canada as a whole.