

Oral Questions

Canada is relying on the tar sands and the heavy oils to reach self-sufficiency by the end of the decade.

On the third point, I am afraid I cannot indicate any particular response at this time. On the matter of the interruption of oil supplies, many questions arise. The first is whether it is constitutional. Is it within the power of a province to interrupt the free flow of commodities across the country? I will want to study that at some length with the Minister of Justice and perhaps in cabinet before indicating any response.

Mr. Baker (Nepean-Carleton): Madam Speaker, with regard to the last matter discussed by the Prime Minister I think there are very few Canadians who would view the courtroom as the appropriate place to settle a difference within the family, and I am talking about the Canadian family. I am talking about the last matter. I hope the Prime Minister might take an initiative in this matter with respect to those discussions.

Having regard to the history of matters, I hope the Prime Minister will consider that with respect to the tar sands it is a matter he himself might raise in initiating any discussions. The purpose of my question is to ask the Prime Minister, in the best interests of the country, to take the initiative in these discussions and to take it rather quickly.

• (1120)

Mr. Trudeau: Well, Madam Speaker, I do not think I can add anything to the previous answer. I fail to see how the hon. member can argue that, in one case, Premier Lougheed is right in taking us to court, but in the other case we would not be right in taking him to court because it suddenly becomes a family matter.

Some hon. Members: Oh, oh!

Mr. Trudeau: I apologize if I misunderstood the hon. member. Perhaps he could repeat the question and the preface.

Mr. Baker (Nepean-Carleton): Just so it is absolutely clear, Madam Speaker, let me point out that there may be some areas where the courtroom would be the appropriate place. The thrust of my question is that in most areas the courtroom is not the appropriate place if one has a substitute, and that substitute, in my judgment and in my respectful submission, Madam Speaker, is the bargaining table. I am asking the Prime Minister whether he would assure the House that he will take steps immediately to take the initiative to go back to the bargaining table so that a settlement can be produced in the Canadian family with respect to a matter which must be vexing to every Canadian.

Mr. Trudeau: Well, I did understand the hon. member correctly, Madam Speaker, and he did suggest that, in the case of the gas tax, the court is the proper route, but that in the case of the curtailment of production, the court was not the proper route. I am suggesting that we are examining all routes and I do not exclude either an appeal to the courts by Alberta or an appeal to the courts by us.

However, I do repeat what I said at the outset, that further negotiations are certainly appropriate and they will be embarked upon as soon as cabinet has had a chance to examine the real substance of Premier Lougheed's answer. Some of it can be ascertained by initial discussions; some may have to be ascertained in other ways.

NATIONAL ENERGY PROGRAM—INQUIRY RESPECTING FEDERAL INITIATIVES WITH ALBERTA

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, I should like to pursue the line of questioning of the hon. member for Nepean-Carleton and I wish to direct my question to the Minister of Energy, Mines and Resources. It relates to the questions I was putting to him yesterday on the matter of security of supply.

In his document "The National Energy Program", the importance of non-conventional oils in the program is very clear. It will result in a greater degree of production than the conventional sources of supply, and that to me is the key area of concern and one on which we should be focussing our attention.

My question to the minister is, what initiatives is he proposing to take in the context of a broad energy negotiation with the province of Alberta which will result in those important projects in western Canada being brought forward, projects which will help security of supply in eastern and central Canada as well as create jobs, not just in the narrow context of the non-conventional projects but in the broad context of a total agreement?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the hon. member is quite right that the non-conventional oil is our main source of growth of supply in the coming decade. Those projects have a long lead time. The next tar sands plant could not come into operation before 1987. This does not mean that we shall not attach a very high priority to those projects. In the last two weeks I have had meetings with representatives of both the Cold Lake project and the oil sands project and I am supposed to have further discussions with them before very long. Also, my officials are in contact with them.

As the Prime Minister has just indicated, as contained in our budget and as I indicated at the last meeting I had with the minister of energy of Alberta, we put forward an offer which we felt was not only fair but also high enough to ensure that the projects would be economically viable. There have been further representations from the industry. We are still in the course of discussions, but obviously these are major investments and, quite clearly, there is need for further discussions, not only with the industry but also with the government of Alberta, particularly in light of Premier Lougheed's statement last night about his plans for the oilsands.

Mr. Wilson: Madam Speaker, I have a supplementary question for the minister. In the proposal which the province of Alberta put forward toward the end of July, I believe they