

production. Even with Hibernia, Alberta's oil sands are essential to Canada's economic health and national security.

There are two issues: permits and prices, the first political, the second economic. The Liberals have failed completely on both counts to encourage oil sands development.

Alberta has the power to grant permits but will not do so unless there is a comprehensive energy agreement with Ottawa. Marc Lalonde failed the Canadian people miserably last year when he made no perceptible effort to reach such an agreement with Alberta.

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

**Mr. Mazankowski:** And so you have headlines like this: "Esso decision could leave businesses out in the cold"; "Cold Lake exodus"; "Ontario loses too". It is not only the communities of northern Alberta which will suffer, the whole economy of Canada suffers. Our ability to secure energy self-sufficiency is a goal that is lost. We are losing expertise, research, and Canada desperately needs the oil. The fact that this delay will postpone the development of this plant for about two years will, in itself, cost the Canadian people some \$5.6 billion. So, Mr. Speaker, we cannot continue on this way.

If we look at the economy, interest rates, unemployment, inflation, energy—there really is not anything good one can say about this particular session of Parliament. This session did not produce one iota of good in fostering national unity. The country is literally being torn apart. Not one piece of legislation to improve the economy has come before us, Mr. Speaker. Not one piece of positive legislation in the area of energy has been enacted. We are relying more and more on imports every day and it looks as though that situation will worsen. We are no closer to agreement. There is the suspension of Cold Lake and the possible suspension of Alsands. Gasoline and oil prices have risen and the tensions continue. Mr. Speaker, there has not been one piece of legislation introduced in this session which would help the average Canadian. This government is not only a failure, it has been an absolute flop.

**Mr. Ted Miller (Nanaimo-Alberni):** Mr. Speaker, like many members in the House at the moment, and probably like many members who will appear here at one o'clock tomorrow morning, I am somewhat surprised that we are here tonight. But considering that, and considering some of the difficulties and problems still facing this nation, I may not have appreciated having to be here last Monday on the pretext that it was in some way going to help the postal workers reach an agreement with the Government of Canada in their dispute. I do not think there are any delusions in this party that the sitting of Parliament will not really contribute anything to the collective bargaining or negotiations between employers and employees. However, it has given us the opportunity this week to ask some questions about some very important issues which still face this nation.

The question of rail transport in Canada, VIA Rail, and the possibility of large-scale abandonments of those rail lines which many Canadians still support in terms of the need for rail transportation, is a very important issue in mainland Canada, and also on Vancouver Island. The closure motion

### *Summer Recess*

which was imposed by the government this afternoon, which I think was quite unnecessary, gives me the opportunity to explain to the government some of the concerns which people on Vancouver Island have about VIA Rail and some of the activities which they have been involved in over the years to ensure that the rail service continues.

The continuation of this service is supported by people on Vancouver Island who recognize that a rail system can form a very important link between the communities on Vancouver Island from Victoria in the south to Courtenay in the north and Port Alberni inland. That rail service joins 24 communities, some of them very small, but others fairly large and growing. It takes some of the pressure off the road system on Vancouver Island, and could take off far more pressure if it were given a chance. It appears that the government of the day will do what the CPR of yesterday was not able to do and was not permitted to do by the Canadian Transport Commission, that is to say, abandon the rail line on Vancouver Island. For many years the CPR attempted to curtail its passenger service and maintain a freight service on the island.

● (1850)

In 1978, in a hearing held in Victoria on an application by the CPR to curtail that line, many community groups, municipal groups and individuals such as railway union workers made presentations to the CTC chairman at that time, Edgar Benson. Half way through the hearings, everyone was elated because they had heard that rail passenger service was going to be maintained on Vancouver Island. The E & N, indeed, was going to get a reprieve and four more years of passenger service would be provided.

The true significance of that event was not immediately known or recognized because people thought that the CTC was directing the CPR to continue its obligation to provide passenger service to Canadians and to people on Vancouver Island; but what had happened was that the government decided that VIA Rail would take that losing proposition away from the Canadian Pacific Railway and would subsidize the losses of CPR by renting equipment from the CPR and taking the losses of rail transportation passenger service on Vancouver Island. Therefore, CPR, after having the land grants, the mineral grants, the forest timber leases and all the real estate that it had developed, was able to get out of a losing proposition, and the Canadian taxpayer was allowed, quite magnanimously, by the Canadian government to take on that losing proposition.

Now we have a situation, three years later, where the government itself, in its restraint program, is prepared to do what the CPR could not do, and is prepared to do it in a far more cynical way. We will not even have the opportunity to have public hearings to indicate to the government the feeling of Vancouver Islanders about the necessity of a railway system on Vancouver Island, and what we would like to see that rail system really do, because it is not doing what it could do or should be doing at this moment.