

Oral Questions

Mr. MacDonald (Egmont): As it is now six or seven months since proposals were begun to be put together, can the minister indicate whether there are firm proposals before the union, Canadian National Railways and the two governments involved in order that there can be some effective resolution of this problem before we are faced with another disruptive strike?

Mr. Marchand (Langelier): Mr. Speaker, so far as the union is concerned, I asked my colleague, the Minister of Labour, to see if it is possible to meet with the union and at what level. He is working on this now. He may know the exact situation better than I do.

Mr. MacDonald (Egmont): Mr. Speaker, I wonder whether the Minister of Labour is prepared to indicate if such meetings are in progress and whether there are firm proposals between the unions and other participants?

Hon. John C. Munro (Minister of Labour): Yes, Mr. Speaker, officials of my department have been meeting with officials of the appropriate unions in an endeavour to work out some acceptable arrangement to make sure that there will not be a work stoppage in future. That is all I can say at the moment. I believe the talks are still going on.

REASON ADVANCED BY RAILWAYS IN SEEKING FINANCIAL ASSISTANCE TO REPAIR BOXCARS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, my question is for the Minister of Transport and is with respect to the boxcars for the repairing of which the government granted the railways some \$3 million. Did the railways give as the reason for asking for that help that the cars were not worth repairing, or did they ask for a subsidy to the extent of over \$3 million in connection with maintaining the service?

● (1450)

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think I said in very plain words last week, rightly or wrongly, that there is no doubt that the railways are not interested in moving grain. They move grain because they are compelled by law to do so.

Mr. Diefenbaker: That's true.

Mr. Marchand (Langelier): So they do not make the effort they probably make in regard to other products where they make money. That is why we have to make this contribution. I think that is the truth.

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ENERGY

REASON IMPERIAL OIL ALLOWED TO DRILL FOR OIL AND GAS IN BEAUFORT SEA BEFORE COMPLETION OF ENVIRONMENTAL STUDIES

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development related to the recent announcement that Imperial Oil has found oil and gas in the

[Mr. Marchand (Langelier).]

Beaufort Sea. In view of the minister's oft-stated concern for the people of the north and desire to protect their environment, and in view of the cabinet's decision to allow drilling in the Beaufort Sea only after completion of the necessary environmental studies, will the minister explain why Imperial Oil was allowed to drill in the Beaufort Sea before the environmental studies had been completed?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, my English may not be very good, but my statement the other day applied to drilling offshore. This last drilling was done from an island, so it is not offshore drilling.

Mr. Firth: An artificial island.

Mr. Chrétien: It is not offshore, as far I know. It was an island. As to the second part of the question, before a permit was given to the company to drill at this site, there was consultation with the Eskimos of Tuktoyaktuk the hunters' association, and so on. They have approved the granting of the permit and I am sure the people of the north are very happy that once more we have been proven right and there are great resources in the north.

Some hon. Members: Hear, hear!

Mr. Firth: Mr. Speaker, may I point out that it was a man-made island, an artificial island.

Mr. Chrétien: It was an island.

Mr. Firth: Can the minister tell us whether the type of drilling being carried out on this man-made island has been approved by the Department of the Environment and by environmentalists like Dr. Pimlott?

Mr. Chrétien: There was interdepartmental consultation among all the departments involved. Dr. Pimlott was not consulted because he is not working for the government—he is a self-appointed expert. As far as I am concerned we have the approval of the Department of the Environment, we have the approval of the territorial government, we have the approval of the people of Tuktoyaktuk, and I am sure the people of Canada are happy we are finding a lot of oil there.

Some hon. Members: Hear, hear!

Mr. Erik Nielsen (Yukon): I have a supplementary question intended to clarify government policy, whether or not it is in keeping with the minister's statement that he will not allow drilling until after a two-year study has been completed in offshore areas of the Beaufort Sea. Is it government policy to continue to permit the creation of artificial islands made by dumping gravel into the Beaufort sea for the purpose of drilling activities or will such activities as these cease, in order to permit the completion of the two-year study of which the minister has spoken?

Mr. Chrétien: I make a distinction between offshore drilling from a platform or from a ship and drilling from man-made islands which are a very safe device approved by all the experts. If companies come forward with other plans which are as safe as this one, wherein we have been proven right—they have found oil and no disasters have