

## MOTIONS FOR PAPERS

[Translation]

**Mr. John M. Reid (Parliamentary Secretary to President of Privy Council):** Mr. Speaker, I ask that all notices of motions be allowed to stand.

[English]

**Mr. Speaker:** Shall the remaining notices of motion stand?

**Some hon. Members:** Agreed.

## ORAL QUESTION PERIOD

[English]

### ENERGY

#### SYNCRUDE—GOVERNMENT POSITION ON PARTICIPATION IN PROJECT FOLLOWING DISCUSSIONS WITH COMPANY REPRESENTATIVES

**Mr. James Gillies (Don Valley):** Mr. Speaker, my question is to the Minister of Energy, Mines and Resources. In light of Monday's statement by the minister that he would be in a better position to answer queries regarding discussions which occurred between federal government officials and representatives of Syncrude by Tuesday, is the minister able to give us any report on the results of those discussions and steps the government may take to finance this important project?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, the federal officials received a very full briefing, which incidentally representatives of the government of Alberta attended, from the Syncrude officials who gave both the engineering and cost figures involved in this particular project. These are now being evaluated within my department. Naturally, as any equity investor, we want to have a good idea of the kind of equity we would be purchasing. We hope to be in a position to make some judgment on this before very long. In the meantime we are waiting for a definitive indication from the government of Alberta that it is prepared to welcome equity participation of the federal government in this project.

#### SUGGESTION OPEC COUNTRIES DISCOURAGING CENTRAL BANKS FROM INVESTING IN DEVELOPMENT OF SYNTHETIC CRUDE

**Mr. James Gillies (Don Valley):** In view of rumours that have been circulating to the effect that OPEC nations are visiting central banks and bankers around the world in an attempt to discourage investment by these banks and companies in the development of synthetic crude, has the government heard anything of this report and are they considering this very serious situation?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, I will have to follow that up with my colleague and with the central banks.

### Oral Questions

#### SYNCRUDE—REACTION OF PROJECT OFFICIALS TO DISCUSSION OF TAXATION

**Mr. Jim Balfour (Regina East):** Mr. Speaker, my question is also for the Minister of Energy, Mines and Resources. In view of the uncertainty surrounding the tax treatment of the tar sands projects generally, did the government discuss the matter of taxation with the Syncrude representatives? If so, what was the effect?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, the question of tax was discussed. My recollection from that discussion is there was no feeling of uncertainty about taxation.

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● (1430)

### THE CANADIAN ECONOMY

#### INFLATION—POSSIBLE GOVERNMENT PROGRAM OF RESTRAINT

**Mr. Edward Broadbent (Oshawa-Whitby):** Mr. Speaker, I have a question for the Prime Minister. Has the government developed what might be called a program of restraint which it intends to embark upon in the new year?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, I and indeed other ministers have had occasion to say earlier that we are periodically reviewing government expenditures and periodically trying to find areas where expenditures can be cut or restrained.

**Mr. Broadbent:** Mr. Speaker, my understanding is that something more specific has recently been decided upon by the government. I mean this as a question in a genuine sense. This is not a question to get information. The program I refer to is not only the federal government's expenditure program but a more comprehensive program for the economy as a whole; the private and public sector at the federal, provincial and municipal levels. Has the cabinet been discussing such a program with the intention of announcing it early in the new year?

**Mr. Trudeau:** No, Mr. Speaker. Of course, the general state of the economy has been discussed specifically by cabinet. They are part of the strategy the Minister of Finance has been speaking about before, during and since the budget. There is nothing specific we will be announcing early in the new year along the general line mentioned by the hon. member, but there has been specific talk about government expenditures. This is part of the expenditure cycle. As the hon. member knows, the blue book is tabled in February which means at this particular time we are very much looking at the content of that blue book which has to go to print within days. This calls for specific actions by the government, some of them hopefully showing restraint.