

any resident of the island would want to convert to gas when the cost of heating his home with gas will double over the next three years.

Madam Speaker: For presentation, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

SHIPBUILDING

MEASURES TO MAINTAIN VIABILITY OF CANADIAN YARDS— MOTION UNDER S.O. 43

Mr. Gus Mitges (Grey-Simcoe): Madam Speaker, I rise under the provisions of Standing Order 43. In view of the fact that the 11 per cent reduction in the shipbuilding subsidy from 20 per cent to 9 per cent has resulted in the loss of many direct and indirect jobs in the shipbuilding industry, cancelled contracts and the loss of millions of dollars to our economy because of the cutbacks in production, I move, seconded by the hon. member for Carleton-Charlotte (Mr. McCain):

That the government take immediate steps either to restore the 20 per cent subsidy or come up with other equally stimulating legislation to ensure and maintain the viability of all our shipbuilding yards in Canada.

Madam Speaker: For presentation, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[English]

ENERGY

STATEMENT OF PREMIER LOUGHEED ON NATIONAL ENERGY PROGRAM—GOVERNMENT POSITION

Hon. Walter Baker (Nepean-Carleton): Madam Speaker, I have a question for the Prime Minister. Last night, in responding to the budget of the Minister of Finance, the Premier of Alberta indicated that Alberta will cut its oil production by 15 per cent, will challenge the federal tax on natural gas in the courts and put on hold the Alsands project, which is necessary if Canada is to achieve energy self-sufficiency, which all of us on all sides of the House seek.

• (1115)

Will the federal government, in the interests of all Canadians, take advantage of the three-month period before the first cutback and renew discussions with the province of Alberta?

Oral Questions

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, on the gas throughput tax we understand that Premier Lougheed does want to take the matter up in the courts. We think that is a very reasonable and rational approach, and we are anxious to see any differences as to the law on the constitution interpreted by the courts.

In so far as the tar sands are concerned, we are a bit disappointed because the budget did indicate a \$38 per barrel price, which is about the world price now. It seemed to be reasonably acceptable on all sides. It did indicate that production could be financially viable, and we are disappointed that Premier Lougheed seems to have some reservations about that. But he did not indicate any precise response so, of course, we will have to wait to see what he has in mind, and we are anxious to discuss the matter further with him.

In so far as the cutbacks are concerned, as the hon. member says, they would not be effective until they begin three months from now, and we welcome this breathing space, perhaps to continue negotiations with the province of Alberta. We will see if any accommodation is possible. I hope it is and we will certainly bend every effort in that direction.

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): Madam Speaker, I gather that the Prime Minister is moving in the direction of some discussion and conciliation. If he is saying that that is in the best interests of Canada, I just want him to know that we share that view.

Some hon. Members: Hear, hear!

Mr. Baker (Nepean-Carleton): Can the Prime Minister indicate to the House if it is possible to say today or tomorrow, given the short period of time, when those discussions might begin and whether he will involve himself in these matters?

In order that the jurisdiction can be tested with respect to the gas tax, which I agree is a matter of law pure and simple, could the Prime Minister indicate whether he, in the course of early discussions, would use his offices or whatever his legal powers are to bring those matters to court quickly so that they can be settled?

Mr. Trudeau: Yes, Madam Speaker, as far as we are able we would be anxious to have the legal aspect of this matter decided as expeditiously as possible. I will be discussing with the Minister of Energy, Mines and Resources and the Minister of Justice the ways in which this can be done. It presumably will involve an early contact with Alberta to establish on what it wants to base its case and how it thinks it would want to proceed.

With regard to the tar sands, I hope that the Minister of Energy, Mines and Resources will be able to contact his opposite number reasonably soon because we are not clear what Alberta has in mind when it talks about increased royalties and so forth. If it is a regime which, in effect, prevents the private sector from exploiting the tar sands, we would think it a regrettable move because, as we know, all of