

**Mr. Speaker:** Shall notices of motions be allowed to stand?

Agreed.

## ORAL QUESTION PERIOD

[English]

### ENERGY

#### POSSIBILITY OF EXTENDING ARRANGEMENTS WITH SYNCRUDE TO OTHER COMPANIES DEVELOPING OIL SANDS—GOVERNMENT POSITION

**Hon. Robert L. Stanfield (Leader of the Opposition):** Mr. Speaker, I have a question for the right hon. Prime Minister arising out of the statement made to the House yesterday by the Minister of Energy, Mines and Resources.

**Mr. Knowles (Winnipeg North Centre):** Where is he?

**Mr. Stanfield:** I would ask the Prime Minister whether it is now the position of the government of Canada that no plants, in addition to the Syncrude plant, will be built to exploit the Athabasca tar sands under current and prospective conditions as indicated, by inference at least, by the Minister of Energy, Mines and Resources yesterday?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, it seems to me that the minister indicated yesterday, and on previous occasions, that he was dealing with the concrete case of Syncrude and that other cases were hypothetical in so far as there had been no particular project proposed to us. Certainly, the tax measures and the price measures which he announced apply to Syncrude. There is no reason to believe at the present time that they apply to anyone else because there is no one else who has asked to be in that position.

**Mr. Stanfield:** A supplementary question. In view of the statement made yesterday by the Minister of Energy, Mines and Resources with reference to the Athabasca oil sands as reported at page 2896 of *Hansard* as follows:

Under current and immediate prospective conditions, however, it remains a very high-cost oil and special arrangements are necessary to assure its commercial production.

Was I right or wrong in getting the impression that the minister was stating the government's position to be that the special arrangements about pricing and the arrangements about taxation would not be offered to any other company but to Syncrude alone?

**Mr. Trudeau:** Mr. Speaker, I repeat, in a certain sense the question of the Leader of the Opposition is hypothetical; it refers to possible future applications. I would merely say at this time that we would examine any further cases on their own merits. This, certainly, is underlying our approach to this matter, not only the tax measures and price measures but the agreement reached on Monday by the Minister of Energy, Mines and Resources and the President of the Treasury Board on behalf of the federal government. These arrangements were reached because of the very strong desire of this government to co-operate with the Alberta government, and indeed with

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the Ontario government, in arriving at an arrangement which is advantageous for the future of the oil consumers in Canada. We hope that this will have the support of the opposition who are always anxious to ensure that the government deals fairly with Alberta.

**Mr. Speaker:** The hon. Leader of the Opposition, a final supplementary.

**Mr. Stanfield:** Mr. Speaker, when the minister said in the House that the arrangements respecting price would be confined to Syncrude he was talking only about companies now in existence and when he was speaking outside the House as reported in today's *Globe and Mail*, he was saying:

Any other oil sands projects will have to be established on a strictly commercial basis, with no expectation of government participation.

**Mr. Turner (Ottawa-Carleton):** "Expectation" isn't it?

**Mr. Stanfield:** Participation. I want to find out from the Prime Minister whether the government policy is to confine these arrangements strictly to Syncrude and to leave any other applicant on a purely commercial basis as the Minister of Energy, Mines and Resources seemed to be indicating in the past, or is the government prepared to consider making special arrangements of a similar sort for companies that may arise in the future? Is that still an open question?

**Mr. Trudeau:** Mr. Speaker, the two previous questions were exactly the same as the third one and my answer is exactly the same. If there are other applications we will look at them on their merits. We know of none at this time. Our approach is a commercial approach in the sense that we are participating in equity as Ontario and Alberta are participating in equity. We think that the project will proceed under these conditions. Whether some other projects will be started and whether any concessions will be asked on one or another basis at this time is purely hypothetical.

#### OIL SANDS—GOVERNMENT POSITION ON NATIONAL ENERGY BOARD FORECAST OF A PLANT EVERY TWO YEARS

**Mr. Harvie Andre (Calgary Centre):** Mr. Speaker, a supplementary to the Prime Minister. Is the government committed in any way to the National Energy Board forecast of the oil sands producibility of roughly a plant every two years as a major part of the goal of energy self-sufficiency? This is the prediction of the National Energy Board, that we would require this in order to be self-sufficient. If the government is committed, is it satisfied that future tar sands plants will be constructed at the required rate according to National Energy Board forecasts and will be viable without the application of the Syncrude conditions?

**Right Hon. P. E. Trudeau (Prime Minister):** No, Mr. Speaker, those are merely predictions by the board. Government policy has not been stated to indicate any particular rhythm of construction. We are dealing with this particular case now and there has not been a policy