

• (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

ENERGY—NOVA SCOTIA OFFSHORE DEVELOPMENT. (B)
MEASURES TO ASSIST DEVELOPMENT

Mr. Howard Crosby (Halifax West): Mr. Speaker, before I address myself to the question I put to the Minister of Energy, Mines and Resources (Mr. Lalonde) on April 6, 1982, may I compliment the member from Manitoba who represents the New Democratic Party for so graphically and so forcefully demonstrating in this House why New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland do not have any New Democratic Party members in their caucus. He displayed, for everybody to see and hear, his opposition to coal development, his opposition to offshore drilling, his opposition to the Arctic Pilot Project and his opposition to Fundy tidal power. I hope the people of the maritimes and Newfoundland will hear about this and act accordingly when they are cold and freezing and in the dark. I will make sure that they will get the message.

On April 6, 1982, I questioned the Minister of Energy, Mines and Resources on the status of the development projects in the submarine lands off the Atlantic coast—a coast that, as I have already said, is free of New Democratic members and that will remain so for the rest of this century, I am sure, after that speech.

I asked the minister about the rumour of a delay in implementing the Shell Resources Exploration Project, which involves an expenditure of \$200 million and the utilization of the *SEDCO 709* oil-drilling rig. For the information again of members of the New Democratic Party, the *SEDCO 709* was built in the Halifax shipyards at a cost of \$74 million in 1975 and provided many man-years of employment, on that project and on the offshore rigs that followed or preceded *SEDCO 709*.

We had a marine development in Nova Scotia and in the maritimes before we embarked upon this Canadianization program involved in the National Energy Program.

The minister, when he responded to my concerned inquiry about the delay in offshore development projects, simply said that I was off base or offshore. That was the totality of his explanation. In this House we are used to the flippancy and the lack of concern of the Minister of Energy, Mines and Resources when it comes to the discussion of energy projects in the Atlantic area. What hurt most was the fact that I was correct about the delay. A few days later an officer of Shell Resources announced publicly that there indeed was a delay in the implementation of Shell's offshore development program and that in fact it would be another four months before the *SEDCO 709* arrived on the east coast, and that if there were

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no improvements in Shell's negotiations with the federal government, it was in danger of cancellation altogether.

Unfortunately, that is not the only offshore program which is being delayed or cancelled. British Petroleum earlier announced that they were reviewing the situation. They have cancelled their 1982 program for offshore drilling.

Other petroleum companies who have received permits from the federal government and who are considering the possibilities of offshore development and exploration are now reviewing their plans. The situation at present is one of turmoil in relation to offshore development programs. No one knows whether the programs that were planned for 1982 and subsequent years will be implemented. The reason is not only the National Energy Program but the attitude of the Minister of Energy, Mines and Resources and of the officers of his department towards private entrepreneurs who want to get into the Atlantic offshore to discover and develop our resources there. Unless we get a change in the attitude on the part of the minister and his department, offshore development is in jeopardy. Those development prospects are the hope of Nova Scotia and other Atlantic provinces for the future.

You cannot talk about the Atlantic provinces, Mr. Speaker, without reminding yourself of the drastic unemployment situation that exists there. There are approximately 1.2 million persons unemployed in Canada. A great proportion of those are in the Atlantic area. There are at least 138,000 persons unemployed in Atlantic Canada. Newfoundland has an unemployment rate of 14 per cent, Nova Scotia has an unemployment rate of 12 per cent, compared with the national rate of 9 per cent. We have to consider the plight of those unemployed persons. We have to take advantage of every opportunity that presents itself to launch job-creation programs. The best opportunity for job creation in Atlantic Canada, particularly in Newfoundland and Nova Scotia, is offshore resource development.

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Let us look very briefly at what Shell Resources planned for the offshore with its expenditure of \$200 million. Shell was going to launch a deep-water drilling program approximately 200 kilometres south of Halifax and 65 kilometres from Sable Island at the point where the Scotian Shelf dips into the deep water. This would have been a first, as I understand it, in east-coast exploration. There would have been at least 60 persons employed directly on the *SEDCO 709*. There would have been additional service vessels employing a number of people in addition to the onshore establishment. This would have involved storage and supply, servicing of the oil rig and a great many other technical services associated with offshore exploration. All of that is lost in this delay and is in danger of cancellation.

I want to record the important point in this House. We on the Atlantic coast had hoped to have offshore developments take place in the future, but now we find that these developments are being jeopardized by federal policies. Unless those