

imagination on that side of the House, not on ours. He talked about Saskatchewan and said that drilling is up in Saskatchewan. That is just ludicrous, Mr. Speaker. The reason that drilling is up in Saskatchewan has nothing to do with this Government. It has to do with the incentive program brought in by the Province of Saskatchewan, which in July, 1982 introduced new programs in which wells are exempt from provincial royalties during the first to the fifth years of production. This has resulted in the number of province-wide rigs increasing to 51 during the first week of September compared to 15 a year ago. This is an initiative of the Province of Saskatchewan, certainly not of the Minister of Energy, Mines and Resources. It tells us how little he has to boast about when he has to take credit for a provincial initiative.

● (1650)

He talked about stability. That is laughable in an industry which is reeling from chaos and is being brought to its knees by the National Energy Program. He says that stability is what the industry wants. I would say that what the industry wants, as it has told us over and over again, is a Conservative Government. That is the opinion of the industry both in the West and in central Canada whose order books have shown the lack of orders from the energy industry because of the National Energy Program. It has been noted in central Canada that a lot of the economic health of many towns and industrial sectors in Ontario is linked to having a healthy energy in the regions.

The Minister talked about the Beaufort and suggested that a Conservative government would reduce, cut back or abandon exploration in the Beaufort. Again, exploration in the Beaufort and our commitment to northern development is very well known. I have travelled and lived in the Northwest Territories. I have travelled extensively in the rest of the Arctic. I should point out that the only MPs representing the Northwest Territories and the Yukon, at least the Mackenzie and the Yukon, come from this side of the House. The other MP from the other part of the Northwest Territories was elected as an Opposition Member but chose to make the error of joining the Government side.

The Minister also talked about our Leader closing down a town. I presume he was referring to Schefferville. I would like to make the point that the Minister has shut down the country as a whole.

In view of the remarks made by the Minister I would like to deal briefly with employment in mining towns in the North. I would like to refer to one particular case where an entire town was closed. One labour union local said that it was stunned by the news and first heard of the devastating news on the radio or by word of mouth. Local 1561 of CUPE stated that it was given no time to prepare for this unnatural disaster. The work-force of 830 miners and ancillary workers were put on notice on December 3 that as the following June, a seven-month period, the mine was closing and their jobs would disappear. They state that the work-force of 830 was actively encouraged to leave. Who would not leave under those circum-

stances? Employees were offered severance of four weeks' salary for the first year of service, which is a month's stay, and two weeks' severance for each additional year of service. Before I forget, the name of the town was Uranium City and the employer was the federal Government through its Crown corporation, Eldorado Nuclear Ltd.

I would like to quote what the former Minister of Energy, Mines and Resources said in the House on the closing of Uranium City, as reported at page 13726 of *Hansard* on December 4, 1981. He said:

As my hon. friend knows, mining is non-renewable. Mining at Uranium City is in an area where ore is declining. There has been a decline of the quality of the ore by something like 40 per cent; plus there has been a decline in the price by 50 per cent. Two other mines under private ownership in the area have closed in the last few years. Eldorado has tried to continue the operation of this mine as long as possible.

I have made personal examination of the issue. Unfortunately, I have had to come to the conclusion that the Eldorado decision was the right one in the circumstances.

Anyone who does his homework understands that when ore bodies run out, the economic activity is reduced.

I would like to quote from a letter from the Minister of State for Mines (Mrs. Erola) to the Leader of the Opposition when he was President of the Iron Ore Company. It is worth reading what she said into the record. He said:

Firstly, I have noted with great interest your company's compensation and relocation program for the workers affected by the closure of your Schefferville operation. I think that your actions in this regard are commendable.

She went on to say:

I would like to assure you that your efforts in diversifying the economic base of Schefferville are of high interest to me and that Energy, Mines and Resources Canada will do what it can to support your efforts.

I would like to move on to what the Auditor General said today about the Department of Energy, Mines and Resources, in the comprehensive report on the Department's activities. I think it is important to note that, over-all, the Auditor General told us that there had been no comprehensive review of the goals of the NEP. He said that the 40-odd programs that make up the NEP, which amounts to billions and billions of dollars, are not being assessed in terms of whether they are reaching the three goals of self-sufficiency, Canadianization and fairness. These are goals which, as I previously pointed out, are not being met. In fact, they have been constrained by the National Energy Program.

In terms of the Petroleum Incentives Program, the Auditor General points out that there will be no evaluation of that Program until 1986 when it is scheduled to end. He pointed out that billions and billions of dollars will be spent under this open-ended and "demand driven" program. Yet there has been no attempt to evaluate even its success ratio. It seems appalling to Members on this side of the House that no attempt is being made to determine whether the ratio of discoveries of oil and gas reserves compared to the footage drilled is in line with the traditional industry experience. The reason the Government does not want to do that kind of evaluation is simply that it will find out that it is far out of line and that decisions for