

Economic Conditions

first one is a letter from the Brooks and District Chamber of Commerce. I am going to read it because it says what has to be said about this situation. It is dated November 24, 1980.

Dear Mr. Hargrave:

In the past three weeks, the Brooks and District Chamber of Commerce has been attempting to evaluate the economic impact of the federal budget and energy policies as it pertains to our community.

The town of Brooks, similar to Grande Prairie—

That is in Alberta.

—has grown in the past few years because of exploration, production, and an oil field services industry.

The town of Brooks has grown from a population of 4,000 to 9,000 in the past ten years. The oil and gas industry in this area has provided many jobs and added stability to our economy. In 1973 and 1974, even though the oil industry suffered duress, the local economy continued to thrive, because of gas exploration.

That is the major energy industry there, all relating to gas.

Approximately two hundred businesses in Brooks and area are directly related to the oil and gas industry. We are imminently concerned that the federal budget will have consequences the government may not have anticipated. Lay-offs of employees in the service industry has already begun to occur. It is very difficult to evaluate what the results will be next year when exploration slows down, but these facts come to light. Because of a lack of proper incentive for further exploration, an anticipated 30-35 percent reduction in activity has been forecast. The impact on our area will be substantial. Areas of immediate concern are: the oil and gas industry, the housing industry and young people starting new businesses.

As a chamber of commerce, we are confused by a policy which we are told was to further Canadian participation and ownership in our oil and gas industry. A second stated objective was energy self-sufficiency by the end of the decade. Neither of these two objectives seem possible because, by our observation, it is the small Canadian-owned oil and gas industries which are being penalized the most.

Secondly, with the rate drilling rigs are leaving Alberta, how can we find the oil and gas to make us self-sufficient?

It is not the purpose, or the intent of the Brooks and District Chamber of Commerce to criticize government policy. However, we believe we have a role and must speak against the direction this federal policy is leading us. A small, and quite often new business, will have great difficulty surviving the impact of this policy. These businesses are owned and operated by Canadians, not foreign investment. It is the suggestion of the Brooks and District Chamber of Commerce that this policy be re-evaluated as to its long-term effects on the oil and gas industry. This industry in Alberta creates jobs for Canadians, nationwide. We believe these jobs are in jeopardy.

The western Canada concept which has received so much publicity, is a result, we believe, of people's frustration with this federal government's policy. We believe in a responsible solution which will benefit Canadians in total. Mr. Pat Brown, who is providing you input for your presentation, has had the opportunity to research this matter in greater depth than we have. We believe Mr. Brown's research to represent a fair picture of what is ahead of us. We would like to express our support to you, Mr. Hargrave, in addressing this issue, which will affect the livelihood of many of your constituents.

I want to follow with another letter from Mr. Pat Brown, dated November 24, 1980.

Dear Sir:

We have attempted to give you a concise look at our energy-related operations, as pertains to drilling and service and supply, as possible. Some businesses overlap into production-related industry but we have omitted those which are 100 per cent related to production of energy and kept our views to drilling and exploration.

We have not as yet been subject to a major cutback and do not expect to see one until after "spring breakup". There has been a general apprehension for

about 5 or 6 months about what to expect from the budget and that has caused some slowdown. There are generally about 60 to 70 rigs in our area this time of year; we presently have about 50.

We foresee about a 40 per cent cutback in drilling and exploration in the Brooks service area beginning in the spring of 1981. If this estimate is close to fact it will directly affect about 70 per cent of the approximately 210 energy-related businesses in the area by 40 per cent reduction. The remaining 30 per cent of energy-related businesses will be affected by from 40 per cent to 20 per cent.

The population of Brooks town and area attributed to direct involvement in the drilling and exploration industry is estimated to be about 3,000 with an equal number dependent on them for their existence.

The reduction in business cash flow, available jobs, and resulting increase in cost ratio will deal a death blow to many small businesses. Many of the small businesses, run by gutsy entrepreneurs, have invested all their resources and time to get a foothold in a speculative industry which appeared to have a bright future for those of initiative. Only by betting on a stable growth industry, were many of the local businessmen (and their bankers) able to procure the equipment and technology we now have in the area. At a time when private enterprise has a chance to really prove what it can do to make the country self-sufficient in oil and gas, the last area in the country where there is still a work ethic and belief in success by incentive, we have been sold out by uncaring bureaucrats dictating government by government.

Less than 10 per cent of the companies in our service area have any affiliation with multinationals; more than 70 per cent of supplies, manufactured goods, fabricated goods and vehicles originate in central Canada, Canadians are being hurt across the country, not just the west.

Thank you for allowing our humble input.

The letter is signed "Patrick A. Brown".

● (1320)

Mr. Speaker, is my time almost up?

Mr. Deputy Speaker: Yes, it is.

Mr. Hargrave: I was only going to say that he supplied a list of 25 special service industries to indicate how important the service industry is to the Brooks area, and it is symbolic of the whole of southeastern Alberta.

[Translation]

Mr. Gilles Marceau (Jonquière): Mr. Speaker, I listened with undivided attention and sustained interest to the comments of my colleagues on either side of the House. I listened to them until late in the night, about four in the morning, and when I returned this morning I did not feel there was that much difference in the general trend of ideas expressed since the start of this important debate last evening at eight o'clock. What struck me most, Mr. Speaker, is not so much the general ideas put forth and the comments made by my colleagues as the caustic and at times provocative tone of parliamentarians whose mission and main role are to represent their electors and who must spread harmony and fraternity, thanks to which we will be able to keep this great country from coast to coast.

Mr. Speaker, I admit that many of the suggestions voiced on both sides of the House were very constructive and very valuable. But the least that can be said is that the general tone of the debate did not reflect the spirit of Christmas which ought to be so obvious among parliamentarians on the eve of our recess. Of course, it must be said that whatever party we