

predictions of our probable growth rate for next year are going down.

We can see that the projected deficit is likely to be several billions of dollars higher than it would have been under the Crosbie budget. I am sure the minister will agree with me that the budget of October 28 addressed none of these traditional economic preoccupations that are usually dealt with in a budget, but served only as a vehicle to launch a somewhat less than adequate energy policy.

Will the minister therefore tell us if we can expect his government to bring in soon an economic statement, or, indeed, even a new budget, designed to deal with our economic situation, which seems to be worsening on every front.

Hon. H. A. Olson (Minister of State for Economic Development): No. I cannot give an undertaking that there will be another statement immediately. I guess the only thing I can say about the honourable senator's comments is that his hindsight seems to be at about 20-20.

Senator Walker: That's pretty good.

YUKON TERRITORY

POSSIBLE PURCHASE OF WHITE PASS AND YUKON RAILWAY

Hon. Paul Lucier: Honourable senators, I have a question for the Leader of the Government.

The leader has been quoted recently in the western press as being in favour of the White Pass and Yukon Railway being purchased with funds from the Western Development Fund. Is the leader pursuing this, and is he talking about purchasing all the assets of White Pass, or just the railroad?

Hon. Raymond J. Perrault (Leader of the Government): Honourable senators, I have been quoted as expressing a personal view that the White Pass and Yukon Railway should be purchased if that option is in the best interests of all parties involved. May I say that I think this is an attractive option. It is an important transportation link for the Yukon, and I believe that as part of northern development strategy it could be a very construction move. I think, as far as any purchase of the line is concerned, it would have to await an appraisal of the line's assets in order to determine the extent of any government purchase and participation.

Senator Lucier: Is the leader prepared to pursue this with his cabinet colleagues and try to get their agreement that the White Pass and Yukon Railway should be purchased?

Senator Perrault: The matter of how best to preserve a viable railway operation in the Yukon will be thoroughly discussed with my cabinet colleagues.

Senator Guay: By whom would the line be purchased?

Senator Perrault: By such an entity, for example, as the Canadian National Railways.

[Senator Donahoe.]

ENERGY

OIL—FORECAST REDUCTION IN EXPLORATION DEVELOPMENT

Hon. Richard A. Donahoe: Honourable senators, I have a further question for the Minister of State for Economic Development. Is the minister aware that Gulf Canada has announced a cutback in exploration spending for 1981 of more than 25 per cent of its originally anticipated expenditure?

Hon. H. A. Olson (Minister of State for Economic Development): No, I am not aware of that.

Senator Donahoe: If the minister is not aware of that, perhaps he might be aware of the declaration by the Canadian Oil Well Diggers Association that exploration spending is likely to fall by 40 per cent as a result of the budget. On this side of the house we were pleased yesterday by the government's retreat from its inflexible position on our proposal for a delayed reporting date for the Special Joint Committee on the Constitution. We commend the government for that. My question now is: When may we expect the government to show the same sensitivity to the energy needs of Canadians and reconsider its budget policies, which clearly imperils any possibility of oil self-sufficiency by 1990.

● (1430)

Senator Olson: Honourable senators, it is difficult to deal with questions the premise of which is that something is likely to happen based on someone's opinion. My honourable friend will realize, of course, that it is really a violation of the rules to ask a minister his opinion on these things. You can ask about government policy. Government policy is known; that is in the budget.

What we are working on now are some of the regulations that would be based on these bills. This is being done in consultation with the industry and they are giving us some useful technical advice as to the practical application of what is contained in the budget. That is going on now.

I would also tell him that there is movement of oil rigs between Canada and the United States from time to time. There is nothing new about that. The chance of finding commercial production in Canada based on known seismic data is about five times greater than in the United States. In other words, the chance of finding successful commercial production on that basis, in the United States, is about 20 per cent of what it is in Canada. That is a pretty important factor when doing exploration work.

AIR CANADA

SERVICE TO AND FROM OTTAWA

Hon. Paul Lucier: Honourable senators, my question is for the Leader of the Government in the Senate. I am on a transportation kick today. It seems to me that Air Canada's service in and out of Ottawa leaves an awful lot to be desired. You have to reserve a week in advance in order to be sure to get in or out of Ottawa. Sometimes when you fly from the west