

Oral Questions

some of the replies given by the minister to the questions of the hon. member for Perth.

My question to the minister is this. If one dollar is not the price which the minister has suggested to the producing provinces as a suitable price increase, presumably in July, for crude oil, would the minister indicate—notwithstanding his blended oil formula, and that type of thing—what, in fact, he did suggest as a price increase in July or for the next six months of this year?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I said that we are in the process of negotiation. I do not think it would be appropriate for me to negotiate on the floor of the House of Commons. Discussions are going on with the producing provinces and further discussions will take place. As soon as we have reached a conclusion of those negotiations, I will be very happy to inform my hon. colleague about their latest results.

Mr. Stevens: Madam Speaker, my supplementary question is to the Minister of Energy, Mines and Resources. Since this is the first time since mid-1977 that we are coming to the conclusion of an existing crude oil pricing agreement between Alberta and Canada, I would ask the minister: on July 1, in the absence of a further extension to the June, 1977, agreement, and considering that the minister has stated the Canadian government will take no unilateral action, is it fair for us to assume that Alberta and, presumably, the other oil producing provinces are free to raise the price of their crude oil?

● (1430)

Mr. Lalonde: Madam Speaker, I have stated repeatedly in this House that our purpose is to achieve a negotiated agreement. This is still our objective and first priority. I hope by the end of the month to be able to announce to my hon. colleague that indeed we have reached agreement.

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INDUSTRY**ENERGY SELF-SUFFICIENCY—GOVERNMENT PROGRAMS TO ACHIEVE OBJECTIVE**

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, I have a question further to the one raised by the hon. member for Rosedale. It is for the Minister of Industry, Trade and Commerce.

A central theme of the Conservative party energy policy—a theme which is well accepted by the Canadian manufacturing industry, many of whom are located in central Canada—is that there is a massive economic opportunity for manufacturing companies in supplying the requirements of the energy industry in reaching Canada's energy objectives, particularly in reaching self-sufficiency in oil. Does the minister agree with this point of view? If so, is the government developing any programs whereby Canadian manufacturing companies can be

encouraged to participate fully in reaching self-sufficiency in oil in this country?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, if I understand the hon. member's question correctly, he wants to know what we are doing to encourage Canadian manufacturing companies to take full advantage of the job-creating opportunities in efforts to reach energy self-sufficiency.

The answer is yes, we are working now on a number of programs designed to have that effect. We have committees working in touch with companies undertaking major energy projects to make sure that they take full account of the availability of expertise, machinery and other materials from Canadian sources. I hope a further, definite announcement will be made on this score very soon.

Mr. Wilson: Madam Speaker, the response of the minister is as vague as all the other responses we have received from him in the House. I was looking for some specific programs that will encourage companies to source their supplies from Canadian companies and not go offshore and exacerbate our balance of payments problem.

Is the minister's reticence related in any way to the recent bail-out of the Chrysler Corporation, and is the Chrysler program in any way cutting into our ability as a country to encourage Canadian manufacturing companies to take advantage of some real opportunities in the future, rather than bailing out companies of the past?

Mr. Gray: Madam Speaker, I am sure the many Conservative members who have written to me and spoken to me personally asking for support for Chrysler will be dismayed, to say the least, if not astounded by the negative response of my hon. friend at this effort to save at least 40,000 Canadian jobs. Now we know where this key spokesman for the Conservative party stands when it comes to saving 40,000 Canadian jobs.

Some hon. Members: Hear, hear!

Mr. Trudeau: Keep going, Herb.

Mr. Gray: It is on the record. I want to add, with respect to the program to assist the Chrysler Corporation, that there is no immediate loan or subsidy. There are loan guarantees that come into effect beginning in two years only if specific commitments are met. Among those commitments are requirements for greater sourcing from Canadian companies.

Not only does this program help Canadian companies and Canadian workers, but it does not impede in any way our ongoing efforts to make sure that companies undertaking major projects in Canada use Canadian companies for sources of supply, and much more than was the case or would have been the case had the Conservatives stayed in office.