

*Oral Questions***ENERGY**

FUTURE OF ALSANDS PROJECT

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, the government's whole economic strategy appears to be based on jobs from energy megaproject spin-offs. Clearly the Alaska highway gas pipeline is having financing problems, and Alsands is on the ropes. Can the minister confirm that Shell has pulled out of the Alsands consortium, and can he tell us what will happen to the government's economic strategy in view of the potential collapse of these megaprojects?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I hope the NDP will make up its mind; some days it is against the Alaska gas pipeline and Alsands, and some days it is for them. I am not asking them for the impossible, that is, to make up their minds on anything, but I would like to tell my hon. friend that the reports he has referred to appear to be unfounded. The Alberta Minister of Energy and myself met with the companies last night. We had discussions. The companies are considering a number of possibilities, and we expect to get news very shortly.

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[Translation]

HOUSINGCANADA MORTGAGE AND HOUSING CORPORATION—
APPLICABILITY TO UREA FORMALDEHYDE FOAM INSULATION
VICTIMS

Mr. Arthur Portelance (Gamelin): Madam Speaker, my question is directed to the minister responsible for the Canada Mortgage and Housing Corporation.

Last Saturday, in an advertisement in the Montreal press, the corporation invited people to renovate their homes and take advantage of a forgivable loan of up to 10 per cent of the costs, up to a maximum of \$3,000. Could the minister inform the House whether people who have already used urea formaldehyde foam and have certain problems would also be eligible for this program and be able to take advantage of this generous scheme?

[English]

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I thank the hon. member for the question because it has been asked by other members of the House and obviously other people are interested. The \$30-million program, designed to assist in renovation, was in essence a job-creation program. The government therefore thought, in order to get this program operative as soon as possible, that it would be designated to items of renovation in homes other than under the urea formaldehyde program which, as you know, is a separate program under the leadership of the Minister of Consumer and Corporate Affairs.

THE ECONOMYASSURANCES GIVEN BY UNITED STATES PRESIDENT—
CANADIAN POSITION

Hon. George Hees (Northumberland): Madam Speaker, my question is for the Prime Minister. As the assurances given by President Reagan at last summer's economic conference, that the United States government expected to make very important reductions in its interest rates by the end of last year, have proved to be no more soundly founded than the assurance given by the American President to our Prime Minister a year ago that they intended to co-operate closely with Canada in controlling emissions which create acid rain, does the Prime Minister intend at this summer's economic conference not to be misled by any of these bland assurances, and intends now with his government to start working out a Canadian program for lowering interest rates and stimulating the economy?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I regret the hon. member's use of words indicating that I was misled by bland assurances.

Mr. Hees: Those were the kindest I could use.

Mr. Trudeau: The President of the United States was voicing his view of the way the economy of his country would develop over the coming months. It is true he gave assurances tending in the direction the hon. member stated, but I think this is an occasion to remind the hon. member that even the great United States cannot always implement the economic policies they would like.

As strong as they are in the world, Madam Speaker, and their economy is of course much more self-reliant than ours, they are still faced with very difficult economic problems, and even such a strong president as President Reagan—of a conservative philosophy which I am sure basically is admired by the hon. member—cannot bring his country out of the dire straits it is in.

REQUEST FOR INTRODUCTION OF CANADIAN DESIGNED
PROGRAM

Hon. George Hees (Northumberland): Madam Speaker, as a Conservative government in the early 1960s pulled the country out of very severe recession by a plan of its own making, does the Prime Minister not think it is incumbent upon him to try to show the Canadian people that his government is made of equal fibre and can undertake such a Canadian program, instead of relying on "Big Brother" to pull us out of our present serious recession, something which "Big Brother" has made very clear he has no intention of doing?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I think the hon. member is making an historical omission when he talks about that period. He realizes, of course, that there was a world-wide recovery at that point and that the then Canadian government naturally went along with the over-all trend. If the government of that time had been so