

Oral Questions

Mr. Lalonde: Madam Speaker, I will be very happy to provide the hon. member with the exact figures he has requested, and I will obtain them from Petro-Canada. However, I can draw to his attention that another Canadian company, Husky Oil, announced yesterday that it was not going to decrease its exploration budget this year but increase it. I can say that the Canadian government has approved an exploration budget for Petro-Canada for the coming year which is substantially increased over what it was before. There is every reason to believe that there will be more exploration, not less, carried out by Petro-Canada in 1981.

As to the specific figure requested by the hon. member as to how much exploration will take place in western Canada, I will obtain that from Petro-Canada. I have only the global figure with me now for exploration for the whole of Canada, including the offshore.

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NATIONAL ENERGY PROGRAM

ALLEGED DELAYS IN TAR SANDS PROJECTS

Mr. Jack Shields (Athabasca): Madam Speaker, my question is also for the Minister of Energy, Mines and Resources. Does the minister recognize that the national energy policy and the lack of an agreement with Alberta is delaying virtually every tar sands project in northeastern Alberta? I am referring to the Alsands, Cold Lake, and more recently the Syncrude expansion and Suncor project being in jeopardy. Does the minister realize that the province must proceed with other projects to keep the economy in Alberta vitalized?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I have to disagree with the statement that the National Energy Program is delaying the tar sands project, but I have to agree with the hon. member that the lack of an agreement with the province of Alberta is delaying those projects at the present time.

Mr. Wilson: You are not listening, Marc.

Mr. Lalonde: We have made several proposals to get those tar sands projects proceeding, but Alberta refuses to negotiate any arrangement which would settle the question of the tar sands project independently from all of the other aspects of the energy discussions.

In that respect, I must say that I find it rather strange for a Canadian, and an Alberta minister in particular, to declare, as reported in *The Globe and Mail* yesterday, that Alberta decided to block approval of new oil sands plants mainly because their construction would have provided jobs for people mostly from outside Alberta. I find that passing strange.

Mr. Shields: Madam Speaker, I think the minister knows full well—and again it is the half truths that he is using—that he has not tried very diligently to get an agreement with Alberta. Recognizing that this is happening, that the lack of an energy agreement is there and that the national energy

policy is delaying these projects from going ahead, will the minister be prepared in two or three years' time to cope with the strain on social services and the social injustices that will occur in Alberta? When he recognizes that his oil policy is a crock, he will have to change it and all these programs will be going at one time. What does the minister intend to do about the increased crime which will result from the overstraining of the economy of Alberta? What does the minister intend to do about the strain on the divorce rate, the strain on schools, hospitals and on all social services in Alberta? I have lived through this and I know what I am talking about. What is the minister prepared to do about those things?

Mr. Lalonde: Madam Speaker, I am afraid there is not much I can do about the divorce rate!

Mr. Lawrence: You are sure?

Some hon. Members: Oh, oh!

An hon. Member: You cannot do anything about energy either.

Mr. Lalonde: On the other hand, I understand the seriousness of the concern expressed by the hon. member. That is why we have made many attempts to get an agreement with Alberta in order to get these projects ongoing, projects which will benefit northern Alberta in particular, the whole of Alberta and the whole of Canada.

● (1125)

I must say that even after the rejection of our proposal in July by Mr. Lougheed I went back in September and offered him an additional price in respect of the tar sands plants. That offer was again rejected by my colleague in the government of Alberta. I have indicated that we are still ready and willing to discuss the question of the tar sands and heavy oil at Cold Lake separately, if necessary, in order to get those projects proceeding quickly and avoid delaying their construction. Unfortunately I have not been able to obtain any positive reaction from the government of Alberta as yet.

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THE ECONOMY

GOVERNMENT POLICY ON FIGHTING INFLATION

Mr. Bob Rae (Broadview-Greenwood): Madam Speaker, my question is for the Deputy Prime Minister and Minister of Finance. It concerns the inflation situation in Canada and the announcement today by Statistics Canada that in 1980 we had the highest annual rate of increase since 1975. Since the minister and the Prime Minister have declared war on inflation and have drafted an army of unemployed in order to fight this war, does he really think it fair to continue conscripting young people, the unskilled, those in eastern and northern Canada into this army, and not others, and does he really think that further restrictions on demand will reduce inflation