

small earthquake activity. Therefore, I ask that special attention be given to opposing any of these sites which may affect the watersheds that drain into Canada from the United States.

● (1440)

Senator Roblin: Honourable senators, I will do so, because my honourable friend has put his finger on one of the main points at issue: What happens to the underground waters when these things are in place?

ENERGY

OIL PRICING

Hon. Peter Bosa: Honourable senators, my question to the Leader of the Government is supplementary to that asked earlier by Senator Olson concerning the price of oil and assistance to the oil industry. The Leader of the Government suggested that it is the government's philosophy not to interfere in the marketplace. However, a former Conservative government—that of the Right Honourable John Diefenbaker—in the later 1950s and 1960s did interfere in the marketplace by dividing Canada into two parts with regard to the sources of supply of oil. East of the Ottawa Valley the oil was to be supplied from imported sources, whereas oil west of the Ottawa Valley was to be supplied by Alberta, which enabled that province to develop its infant oil industry; and Ontarians as well as western Canadians paid a premium for that. Also, Canada benefited through the National Energy Program, when Canadians were paying 85 per cent of the world price for that commodity.

Now that the price of oil has declined so dramatically, does the Leader of the Government suggest that the oil industry has reached the stage of adulthood that it no longer needs any assistance, and that if we were to have a future crisis similar to the one we had in the 1970s, Canada would have enough oil supplies and we would not face the same dilemma as that faced in 1980 when a ship that was to deliver 25,000 barrels of oil to Canada was diverted because it was needed in the United States?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I should tell my honourable friend that he need not expect me to apply any strict ideological or doctrinaire test to what governments do in the economic field. It is a matter of what we deem to be practical and helpful in the circumstances. I am simply saying that I do not believe that we have reached the stage where we think that a move of the kind that is hinted at is appropriate. As for that tanker, they will be queuing up to get into Halifax one of these days, not to get away from it.

Senator Bosa: As a supplementary question, I realize that we are passing through a period of abundance at the present time, with an oversupply of oil; but what will happen if we have a crisis similar to that in the late 1970s?

Senator Roblin: "If 'ifs' and 'ans' were pots and pans, there'd be no need for tinkers." If I could see the future as well

as my honourable friend can, perhaps I would have an answer; but I cannot.

Senator Bosa: But it is wise to be prepared, though.

INDUSTRY

AEROSPACE—ALLOCATION OF SERVICE CONTRACTS

Hon. Gildas L. Molgat: Honourable senators, I have a question for the Leader of the Government in the Senate concerning a very important industry in Manitoba, with which I know he is very familiar. I refer to the aerospace industry which over the years has been important to Manitoba, representing as it does, on the average, approximately 10 per cent of the Canadian aerospace industry.

Recently, following the Prime Minister's visit to Montreal where, it seems, he made a number of commitments regarding the aerospace industry, announcements were made of major contracts to Spar and Pratt & Whitney. The Montreal newspaper *La Presse* reported that crown-owned Canadair would get the multimillion dollar service contract for the CF-18 aircraft.

I believe that my honourable friend knows that the Winnipeg company, Bristol Aerospace, has also been in the bidding for that particular contract. Can the Leader of the Government now inform us of the situation, because no announcement was made about Canadair, although rumours were circulating that it was going to Montreal. Can he tell us where that matter now stands?

Hon. Duff Roblin (Leader of the Government): Honourable senators, it is true that the government announced just the other day that it thinks it has been able to assist in the development of some 2,500 aerospace jobs in Montreal. I, for one, have no dog in the manger attitude in respect of that. I am glad for their good fortune, and I am sure they have an industry there that is fully competent to do the things we expect it to do.

It is also true that we have an aerospace industry in Manitoba, and it has been very successful. While there has been the announcement to which my honourable friend referred, I will certainly do whatever I can, as a senator from Manitoba, to make sure that that province receives appropriate consideration based on its capacity and its efficiency to do the job in the whole aerospace industry.

With respect to the contract for the maintenance of the CF-18, what my honourable friend has told me is a rumour only and I certainly would not like to comment on it. No decisions have been arrived at in respect of that matter; nor do I expect them in the near future.

Senator Molgat: Perhaps I may ask a further question on the same subject. Can the Leader of the Government give us any indication as to when a decision might be made on the CF-18 contract? I ask because there was a further report on February 18 that according to a company spokesman, Bristol Aerospace will lay off 41 junior overhaul workers on February 28. The reason given is that the company's present aircraft