

time that the international prices were collapsing at record rates.

The Minister of Energy, Mines and Resources (Mr. Masse) visited Alberta in August. He was unwilling to eliminate the PGRT, but by early September when the screams were ringing in the ears of every Tory, particularly those in the caucus, the Minister took action to remove the PGRT. It is interesting to note that the Prime Minister (Mr. Mulroney) campaigned that he would remove the PGRT, but when it came time to actually eliminate it, it took the Pembina by-election and the loss of thousands of Tory votes for him really to do it.

I had the opportunity with a number of other Members to attend a presentation by the Syncrude organization which produces some 125,000 barrels of oil a day in the tar sands of northern Alberta. I thought the proposal was extremely reasonable. That organization has received some \$82 billion from the Alberta Government to conduct pre-engineering and planning in order to double its production sometime after 1988. It has begun a program which would increase production by some 20,000 barrels a day, a rather significant increase of 15 per cent. It has already spent some \$400 million this year and is taking a risk even though world prices were dropping.

Those capital investments in that syncrude project will increase its efficiency, capacity and production by some 20,000 barrels a day, on a plant of 125,000 barrels a day.

The proposal was simply to ask the Government to consider providing some security as a backdrop if world prices dropped below \$15 U.S. a barrel. This would have allowed that organization to complete that project which will cost approximately \$750 million. Syncrude was proposing that the provincial and federal Governments provide a back stop for a project which would create thousands of jobs that are desperately needed in northern Alberta where there has been a longstanding strike. If this proposal is not accepted, the project will be mothballed for several years, which will encumber the ultimate 50 per cent increase of that project.

I asked the Minister of Energy, Mines and Resources if the Government would consider that proposal but I received the usual non-answer. There was no real commitment to do anything. It is a pity because it is a good project that would be very useful in creating jobs and the technology that would benefit the whole country.

The locked-in ideology of the Government seems to be preventing it from providing that guaranteed agreement. That is the kind of problem we will face in the years ahead.

Syncrude is not asking for a loan or funding, but simply a guaranteed agreement to assist it in the completion of that project. I was very impressed with the project because it could increase its production after 1988 by 50 per cent, or 75,000 barrels a day, to a total of 225,000 barrels a day. That is close to 20 per cent of Canada's oil production right now.

I had the opportunity to serve as Parliamentary Secretary when the Syncrude project was born in 1975. At that time

there was a requirement for federal Government investment, and I think the Government came in with three or four principal players with an investment of some \$300 million, which Petro-Canada now holds. I do not believe that the Syncrude project would exist today without some Government involvement and confidence. The Government is making a serious error by not helping that project go ahead now. We saw the Government weasel back and forth on the removal of the PGRT. It certainly was quick to take away the PIP grants but incredibly slow to remove the PGRT. In *The Edmonton Journal* on October 29 there is an article entitled: "A real horror Tory". I quote in part:

● (1750)

There's only one catastrophe worse than the slump in Canada's oil and gas industry and that's the performance of Marcel Masse as federal energy minister.

Recently, Masse made the preposterous claim that the energy industry is not a job-creation sector. Then he broke one of Brian Mulroney's sacred election promises by placing Canada's goal of energy self-sufficiency on hold.

I think it is really interesting that the Government came to power talking about creating hundreds of thousands of jobs in the oil sector. Clearly, within two years, we are seeing hundreds of thousands of jobs in the energy sector lost. I am especially conscious of that because one of the major industries in my constituency of Algoma is Algoma Steel. It is one of the best steel tube pipe producing companies in the country. It normally employs about 800 people. It has a new \$350 million tube mill coming onstream, running its first runs of tube right now, but it apparently will not operate for quite some time and we have 800 people laid off. They believed the Government when it said there would be hundreds of thousands of jobs in the oil industry. They did not realize that hundreds of thousands of jobs would be lost. Clearly, the policy of the Government has changed since the election campaign and since the former Minister of Energy, Mines and Resources has become the Minister for International Trade (Miss Carney). Her policy was to create hundreds of thousands of jobs. The new Minister says energy is not a job-creation sector. So it is a problem that travels from one Minister to another.

I suspect the former Minister of Energy, Mines and Resources was appointed to be the Minister for International Trade because everyone knew that her policies were a total and complete disaster. She waded around the Western Accord. The problem with the Western Accord was the last paragraph. It is a little paragraph about an inch long. It says that if oil and gas prices in Canada rose or fell precipitously, consultations would take place. Well, the consultations may have taken place but there has been no result. We still have very little oil and gas exploration and development activity going on, which is not only hurting Alberta now but is going to hurt it more this winter. It hurts the entire Canadian industry because the flow through affects every company in the country which is involved in the manufacture of tubes, piping and equipment for that sector.

There was another decision made by the Minister in a recent speech which *The Edmonton Journal* described as "A real