

abrasive resistant castings, items which are used in the petrochemical industry. It recently opened a \$4.3 million extension and at that opening I discussed the company's prospects with the general manager. He told me he was proud of his company's ability to produce its products, and that it had the people and the equipment to handle far more orders than the current demand. He said it wanted to increase its share of the petrochemical industry and get into the business of supplying equipment to drilling rigs. He said that drilling is on the decline in Alberta, however, and that the prospects are it will decline even more in the future. This means less demand for pipe for steel castings. Last week the company laid off 33 men in my riding.

I believe very strongly, Mr. Speaker, that if we were to treat the energy situation as an opportunity rather than a problem, those 33 men would still be working or would not have as much difficulty as they are presently finding in getting a job.

I welcome the opportunity to intervene in this debate. In my opinion the discussions in this House, in the media and indeed, across the country, have focused for far too long on the benefits that natural gas and crude oil bring to the place in which they are found. For far too long the focus has been on price; the time has come to focus on what those natural resources can do for the country as a whole.

As Canadians, we have been too narrow in our viewpoint. We have lost sight of the tremendous benefits that these resources could bring to Canada. We have failed to put them to work for Canada.

Crude oil and natural gas were originally found in Ontario. Shortly after World War II, far richer and more vast quantities were found in the west. The expansion of the drilling industry, the pipeline industry and the oil industry in the west is a success story of which every Canadian is proud. It has raised the sights of everyone in the west. There is a sense of pride and vision there which excites everyone who goes to the west.

Canadian technology, ingenuity and resourcefulness have enabled us to find further reserves in the Arctic and off the shores of Newfoundland. Despite the wide geographical sweep of the finds of natural gas and crude oil, the Liberal government remains narrow and unimaginative about the development of these resources. We have the necessary ingenuity and resourcefulness in the field but the bureaucrats in the Department of Energy, Mines and Resources certainly do not share these qualities.

Because the government has no energy policy, every Canadian is suffering; every province is suffering. I do not mean because of price and I do not mean because of supply. I mean from good old opportunities lost. Those are opportunities which exist in the production and refining industries, opportunities which exist in the manufacturing industries that use crude oil derivatives as a raw product and opportunities which exist in the various product and service industries which bring these megaprojects on stream.

Energy

This government has failed to reach a fair domestic price agreement with the producing provinces. As a result, the Alsands projects have cancelled the \$50 million winter works program and suspended its 1981 budget. The Cold Lake project is still on schedule but could be cancelled if there is no agreement.

What do these tar sands projects mean to Canada, Mr. Speaker? If a tar sands project is delayed one year it means one more year of foreign imports of 140,000 barrels per day at a cost of \$1.9 billion; it means inflation would add \$700 million; it means 8,500 direct and indirect jobs will not come on stream. One tar sands plant, Mr. Speaker, creates an annual average of 11,500 jobs.

My colleague, the hon. member for Peterborough, (Mr. Domm) told the House what the \$6.2 billion which would be spent in Ontario would do for the economy if the Liberal government concluded an agreement. Household income in Ontario would be increased by \$1.8 billion. Ontario is the industrial heartland of Canada and wants to participate in these opportunities. Ontario wants some more of the \$738 million that was spent on the Syncrude oil sands plant. We know large sums will be spent in Ontario because it produces the necessary products.

I suggest that the next time the government brings in an energy policy, the next time an oil sands plant is brought on stream, it examines the amount of Canadian content in those projects. As the member for Simcoe North I do not want to see reformer tubes brought from the United Kingdom through a subsidiary company; I do not want the Celanese company bringing them in through the United States through a subsidiary, Mr. Speaker. I want to see them produced in my riding.

The lack of action on the part of the government boggles the mind, Mr. Speaker. I am not an expert on crude oil or energy but I am fortunate inasmuch as 21 members of our caucus are experts. The problem is that these people from Alberta are shy and retiring; they will not tell us what the deal is and we have to read about it. When I do read about it, I find that the drilling companies are going elsewhere. They cannot get \$40 per barrel for their oil so they will not drill here. Can they be blamed?

I see the Minister of State for Science and Technology and Minister of the Environment (Mr. Roberts) has come in, Mr. Speaker and this will be of interest to him. Are we going to repeat the tragedy of our research and development program? Over the years there has been a decline in the share of the gross national product which is spent on research and development. At one time our aerospace industry led the world. We produced water bombers, small jets, research rockets and sophisticated communications systems.

Where has the Liberal government concentrated its efforts, however? On the car industry, Mr. Speaker. Loans to have been guaranteed to Chrysler—a company which got into difficulties because it produced a car which was too big. What did this government do? It bailed them out. Next, it gave \$60 million to Michelin so that it could produce tires in Nova Scotia where it had not produced them before. This defeated