

league, the Minister of Energy, Mines and Resources (Miss Carney). The telex is from Duncan Allan, Deputy Minister of Energy of the Government of Ontario. He stated that comments that were attributed to him were:

—used selectively in the article and it has distorted the position of the Government of Ontario, which position I fully endorse. That position is that the Accord offers great potential for Ontario and indeed all of Canada, not only for lower oil and gas prices for the consumers of this province but for the investment and industrial activity which will subsequently flow.

There is certainly nothing in that agreement that can be said to be adverse to Ontario's interests.

● (1610)

Mr. Speaker, I should not call the Hon. Member "honourable" because his statement is not an honourable statement. In face of that the Member persists in distorting the truth of statements made by someone outside this House who cannot defend himself in the House.

I would also like to quote the Economic Council because Hon. Members have today attempted to exploit the good name of the Council. I would like to read from a news release issued by the Economic Council this morning:

The Council has looked at a variety of scenarios . . . Among these scenarios, the impact of deregulating oil and natural gas prices, without other changes in taxation or royalties, was simulated. Based on this assessment, we concluded that as many as 100,000 jobs might be created. The Council also simulated various possible tax changes in addition to the deregulation of oil and gas, resulting in larger or smaller stimulus depending on the package.

They go on to say that they have not estimated the results of the Accord that was announced last week. They conclude by saying:

It is difficult to make precise comparisons . . . but it is well known that tax cuts usually have a stimulative effect.

That, Mr. Speaker, is the basis on which we have said that the energy Accord in Western Canada will result in between 100,000 and 300,000 jobs. That does not take into account the Atlantic Accord which is going to be so beneficial to Newfoundland as well as creating spin-off benefits in the other Atlantic provinces.

In Question Period this afternoon the Hon. Member for Vancouver-Kingsway (Mr. Waddell) made reference to a report which was prepared by the Ministry of Energy. I would like to bring to the attention of the House the substance of the comments made in that report. I am sure the Hon. Member can read this later on if he wishes to. It makes the key assumption that the jobs that will be created will be based on the degree of reinvestment.

Hon. Members know that the rate of reinvestment in the first half of this year was around 65 or 70 per cent. During the years prior to 1980 and the introduction of the National Energy Program, the rate of reinvestment was about 110 per cent. We are convinced that the increased revenues which the industry is going to receive as a result of deregulation will receive very favourable treatment by the energy industry. They will be reinvested in the economy to find the oil and gas in eastern and western Canada and to create jobs right across the country.

**Some Hon. Members: Hear, hear!**

### *Supply*

**Mr. Wilson (Etobicoke Centre):** The Western Accord speaks directly to the question of reinvestment. The Minister has said that we will be monitoring this very closely. Due to discussions that the Minister, myself and other Ministers have had, the industry knows that we feel very strongly about the question of reinvestment. We will be monitoring it because it is a key element to the success that the industry will generate as a result of this Accord. We are convinced that there will be a substantial amount of reinvestment. The result of that will not be felt only in western Canada. Studies have been done which indicate that 35 or 40 per cent of the impact of that investment is felt in central Canada.

I wanted to get these three issues on the record to deal with the distortion and innuendo that has been floating around this Chamber this afternoon. I wanted to get them on the record to enable us all to understand the basis on which we are operating.

I will now turn to other parts of the motion that we are debating today. Last November I set out in the economic statement three elements of an economic strategy that we have been following closely. The first was that we would put our fiscal house in order by dealing with the tremendous problem of the accumulated debt in the country which has been growing two or three times faster than the rate of growth of the economy for 10 years now. Second, we said that we would redefine the role of government. Third, we said that we would create a positive environment for investment, innovation and international competitiveness.

I would like to read from a part of the economic agenda that I tabled last November. It is very clear that in relation to the energy industry we have done exactly what we said we would do. It is all laid out on page 65 where we noted:

The energy sector faces many rules, regulations and demands originating from federal and provincial energy legislation and regulatory bodies. There is little doubt that these, taken together, discourage activity in the energy sector. The federal Government will put its own house in order and begin discussions with the provinces on means of streamlining these regulatory requirements through such devices as the "single-window" approach.

We went on to say that we attach great priority to renegotiating energy agreements with Alberta, B.C. and Saskatchewan, and to pursuing accords with the East Coast with regard to the offshore. We set it out there, Mr. Speaker, and we have done what we said we would do. That will create jobs right across the country.

The last two months have clearly demonstrated that performance in that we have signed the Atlantic Accord and the Western Accord. They are an integral part of our strategy toward energy development. I would like to remind Hon. Members that energy investment accounts for 30 per cent of business investment in the country. There is a very direct correlation between business investment and job creation. That is why we have felt so strongly about this element of our economic program.

I would like to discuss what happened in the lead-up to these energy agreements. From September, 1984 to February, 1985 well completions in western Canada increased by 11 per cent