

**Miss Deborah Grey (Beaver River):** Mr. Speaker, if such were the case, then I should think it would be very simple to table an analysis of regional spending.

This analysis is essential so that Canadians can see whether these cuts are fair. For example, utility tax transfers to Alberta have been simply frozen in this budget. Will the Minister of Finance confirm that just days before this budget he increased tax transfers to the Ontario treasury with a voluntary payment of \$90 million in payroll taxes?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I am aware that the position of the Reform Party of Canada has been to cut spending.

We have cut spending in this budget. I cannot understand why my hon. friend is not standing up and saying this is a good budget, if she is supportive of the fact that we have taken the bull by the horns, that we are getting spending down, and that we are going to continue to get the deficit under control.

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#### THE ENVIRONMENT

**Mr. Bill Casey (Cumberland—Colchester):** Mr. Speaker, in the absence of the Minister of the Environment I have an exciting question for his parliamentary secretary.

Although the fixed link to P.E.I. will have a major economic and environmental impact on my riding, there are no hearings scheduled for this part of Nova Scotia at all; only Westmorland County and Pictou County on the other side of us.

Will the Department of the Environment support an application to correct this oversight and hold hearings in Cumberland County to assess the impact of this tremendous project in our region?

**Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment):** Mr. Speaker, as most members of this House understand, the very essence of the EARP process is the independence of the panels which are constructed to hold public hearings throughout the area affected.

Consequently, it would be very inappropriate for the minister to direct the panel to hold hearing in any specific community.

#### Oral Questions

However I will certainly convey to the panel the interest of the member and ensure that it gives very serious consideration to his request.

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#### PETRO-CANADA

**Hon. Roger C. Simmons (Burin—St. George's):** Mr. Speaker, I had intended to put a question to the minister of energy. In his absence, maybe the Prime Minister would consider responding to it. It has to do with the PetroCan privatization, but it is larger than the privatization question.

Now that PetroCan is on the auction block, how will we maintain an adequate Canadian presence in the oil patch and ensure adequate Canadian participation? Even more to the point, who will develop frontier oil and gas reserves now that the Prime Minister's and the minister's own advisers say that we desperately need them if we are not to become too heavily dependent on foreign supplies again?

**Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)):** Mr. Speaker, in the absence of the minister of energy, I would be happy to answer this question.

Petro-Canada is just one of the players in the frontiers as the hon. member knows. There are many oil companies in the frontier doing exploration work and have in fact found now known reserves of over a billion barrels of oil.

These various companies are in partnership with PetroCan. As the hon. member knows, it is extremely expensive to be exploring and to be developing these resources. Consortiums are formed. This will carry on through the policies of the ministry of energy. Nothing has changed in that way whatsoever.

Petro-Canada will play a role in that and will maintain its strong Canadian ownership and Canadian presence in the frontier.

**Hon. Roger C. Simmons (Burin—St. George's):** Mr. Speaker, I thank the minister. He demonstrates that he knows lots about privatization and nothing about energy, which is why I would hope the Prime Minister would tell us the answer to another very specific question.