

*Energy*

States dollar remained low, and the fact that we had to import a higher volume because of the Alberta cutback in particular meant that we would have had a net increase in expenditures of \$595 million in the petroleum compensation account. The increase of \$1.25 per barrel announced last week will bring in about \$605 million, or a net total difference of about \$10 million in total income and expenditures as foreseen at the present time. As I indicated earlier, the increase that has been announced has returned us to a situation where the net deficit would be about \$500 million, out of which we would have to deduct another \$150 million of revenues that will be collected by way of the transportation fuel compensation recovery charge. At the end of the year we should arrive at a net total deficit of \$350 million in the petroleum compensation account.

I think the hon. member for Kingston and the Islands missed a great opportunity to explain to her constituents that the information, whether from press reports or statements made by members of the opposition, just did not make sense. I hope that on her next trip to her riding she will have an opportunity to put the facts straight for her voters.

The hon. member concluded by saying that she wanted something done now. The government has wanted something to be done for quite a long time. The government went into extensive negotiations last year with the government of Alberta in particular, and with the other producing provinces.

**Mr. Wilson:** That is a joke.

**Mr. Lalonde:** Unfortunately, like the Conservative government, we could not come to an agreement. The previous government which was defeated in December, 1979, tried its best, and I will give it credit for that; but it did not reach an agreement either.

I heard the hon. member say "an agreement in principle". She does not talk about an agreement any more; she says an agreement in principle. Mr. Speaker, you either have an agreement or you do not. She should admit the truth and say that they had no agreement.

● (1610)

That is confirmed in a book by Jeffrey Simpson entitled "Discipline of Power", which I commend to the hon. lady. I quote from page 204:

On Tuesday, December 11, the day of the government's fateful budget, Joe Clark spoke to Peter Lougheed by telephone. A committee of officials led by Mickey Cohen, Deputy Minister of Industry, Trade and Commerce and a taxation expert, had proposed a new formula for the energy self-sufficiency tax that seemed acceptable in principle to Lougheed. But four other points remained to be clarified, Lougheed said. Maybe an agreement could be signed the following week, maybe not, Lougheed concluded. They would see at the first ministers' conference on the economy the following week.

That is the record. They had no agreement. We have tried but not have been able to get one yet. We are working hard on it. Tomorrow I will again be going to Alberta to try to reach a satisfactory compromise that will be helpful to all Canadians. I cannot promise an agreement, far from it. There are many difficult issues. I certainly cannot promise an agreement

tomorrow or the day after. I believe the view held by the government of Alberta is the same.

What we must do is try, and try we did, try we do and try we will. This government has indicated over the past few months that it is willing to compromise, willing to take steps to accommodate the needs of the industry and the producing provinces. Surely we are entitled to expect the same sort of compromise from the producing provinces with which we are negotiating. I hope we will see that in the days and weeks to come.

**Mr. Ian Waddell (Vancouver-Kingsway):** Mr. Speaker, I am pleased to take part in this debate and to follow the minister. Before getting into my main speech, which will deal with the position of the different parties on petroleum pricing and with this motion in particular, I want to say that I take objection to the minister's comments about the hon. member for Kingston and the Islands (Miss MacDonald), the former external affairs minister, being away for the vote that brought down the government. I know she is very strong in defending herself, so I will not say very much except that I thought she was away on government business. That was a pretty cheap shot to take at her. Surely the minister had enough other ammunition to deal with. Maybe that is why the minister is having so much difficulty reaching agreement with the provinces. If he would stick to the facts and forget about the cheap shots, perhaps he would get further.

**Mr. Lalonde:** On a point of order, Mr. Speaker, the hon. member for Vancouver-Kingsway was in this House when I made my speech and when the hon. member for Kingston and the Islands made her speech. I did not say that she was not on government business. I said she was not here for the vote. It is on the record.

As far as cheap shots are concerned, I invite the hon. member to refer to the speeches made by the hon. member for Kingston and the Islands to see what she said about some of my colleagues who were not in the House, whether it was the Minister of Finance or the Prime Minister, and the kind of cheap shots she took at them which were objectionable and completely unnecessary. We did not say a word about that. We thought we would let her get away with it, but she went back to it. The hon. member should remember that, if she wants good treatment in this House, she must show elementary courtesy.

**Mr. Waddell:** I thank the minister, with all his experience, for teaching me, a young member, that one cheap shot deserves another cheap shot. Maybe that is part of the difficulty this government has had in the past.

I now want to deal with some of what was said by the minister. The minister suggested that the hon. member for Kingston and the Islands talk to her constituents. I have just returned from Toronto where I made a point of visiting different gas stations and speaking with various consumers. Having talked to those consumers and listened to the speeches today, I am reminded of the poem, "Strange that these