

Oral Questions

● (1120)

It is clear that the federal government is more interested in increasing its revenues than sharing those revenues with the different parties in the negotiations. If the wellhead price does increase, will there be any additional revenues from that price increase, the production tax and the excise tax on natural gas, which will allow some reduction in the federal tax revenues and thus allow for some reduction in the burden on the consumer?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the hon. member says that the Government of Canada is getting a greater share than before as a result of the increases that have been announced since the budget. There is no apology necessary because, of all the federal countries in the world, Canada was getting the least moneys for the responsibilities it had incurred. If you compare it with other federations, such as the United States or Australia, you find that since 1973 the national government in Canada has been getting an extremely low share. It is a definite purpose of the National Energy Program to ensure that in the future the national government, on behalf of all Canadians, receives a fair share so that it can help the regions and people in need, while at the same time assisting Canadian consumers with prices that will not be as extreme as they would have been under the Conservative budget of December, 1979. The hon. member's question is obviously hypothetical and not according to the rules of the House.

Mr. Wilson: It may be hypothetical to the minister, but those who are paying 60 cents more a gallon do not find it hypothetical. Indeed, they find it very painful.

DETAILS OF OFFER WITH RESPECT TO PRICING AGREEMENT

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my supplementary question deals with another aspect of the energy negotiations, the megaprojects such as the Syncrude expansion, Alsands, and the Cold Lake project. These projects are potential casualties of the negotiations if there is not a proper conclusion. The problem is partly because they have been put on hold by the province of Alberta, and very significantly because of the price regime set out in the energy program last October. I have two questions for the minister. First, are the prices for the synthetic crude products a subject of the current negotiations? Second, is the minister intending to offer an increase in the price and the escalation factor, if it is necessary, independent of any agreement that he might come to with the province of Alberta in order to get these projects moving ahead and working toward increasing our future supply?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, nobody likes price increases, least of all the Government of Canada.

Some hon. Members: Oh, oh!

Mr. Crosbie: First we had Uriah Heep; now Marc Heep.

Mr. Lalonde: If the hon. member looks at the figures he will find that the consumers are paying less than they would have been paying under the budget of the hon. member for St. John's West.

Mr. Crosbie: Nobody believes that anymore.

Mr. Lalonde: Second, thanks to the measures we have taken, Canadian consumers have saved about \$2.2 billion, which represents about \$370 per family, because of the pricing policy we have followed since the 1979 election. That is money Canadians have in their pockets thanks to the measures we have adopted. Third, I already stated that if the Alberta cutbacks were to be eliminated tomorrow, we could reduce the price by seven cents a gallon. These are facts the hon. member should not forget.

As to the question concerning tar sands, I have indicated that the government is ready to show flexibility on all aspects. I have suggested in the past that the matter of tar sands plants be considered separately from the general discussion on conventional oil, but the government of Alberta has taken the position that no agreement other than a comprehensive agreement would be entertained. I am afraid this is a matter that is in the hands of the government of Alberta and about which I can do little.

● (1125)

REQUEST FOR REDUCTION IN FEDERAL SHARE OF REVENUES

Mr. Otto Jelinek (Halton): Madam Speaker, earlier this week the Prime Minister said in this House that he would be satisfied if the federal government received 23 per cent to 25 per cent of petroleum revenues in Canada, yet the minister's own department provides figures which indicate that 56 cents, or 33.7 per cent of the price of every gallon of gasoline sold at the pumps in Ontario, for example, goes to the federal treasury, as compared to 22.7 cents for the producing provinces, 10 cents to the dealer, 19.3 cents to the producer, and so on. In view of these statistical facts which far exceed the Prime Minister's own expectations in regard to federal revenues, will the minister now cut back on federal energy taxes, from present energy revenues to at least the 25 per cent level suggested by the Prime Minister?

[*Translation*]

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, first of all, I invite the hon. member to refer to what the Prime Minister said. Second, when we mentioned 23 to 24 per cent in the budget, we were making a comparison with the base that had been used for years and yielded a rate of about 9 or 10 per cent for the federal share. That was the base used for many years to determine the revenues of the various levels of government. This estimate is not arrived at on the basis of prices at the pump, but rather of wellhead prices. This is how those figures are established. On that basis, the Canadian government's share was only about 9 per cent of the wellhead price before