

that he was going to rely exclusively on the government to pay for this acquisition, out of taxation moneys.

Having regard to the fact that the Canadian ownership charge can earn a maximum of 3.7 billion per year—Petrofina having cost \$1.46 billion—and if we assume the purchase will be paid off in one year, he would need 39 per cent of the Canadian ownership charge—39 per cent of \$4 per barrel is \$1.56 per barrel which equals 8 cents per gallon at the pump. Supplementary to the question posed by the hon. member for Etobicoke Centre, was there an undertaking on the part of the government to finance this fully through taxes, and over what period of time is it the intention of the government to finance it?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, on the first point I wish that my hon. friend would show a little more honesty when he refers to what Mr. Hopper actually said. Yesterday I quoted the verbatim transcript of what Mr. Hopper had said.

Mr. Clark: Which one?

Mr. Lalonde: Mr. Hopper said that the whole of the amount would be financed out of taxes but that obviously this was a matter for the government to decide. If the government was going to insist that some part of it be financed out of debt, obviously it would create problems in terms of cash flow for Petro-Canada, but it was a matter to be left to the government.

As far as the actual financing of the operation is concerned, I would urge my hon. friend at least to read the press communiqué which was issued. It indicates that the purchase would take place over a period of three years—25 months to be exact—and that the payments will not be required except over that extended period of 25 months. Therefore, it would be ridiculous for the government to raise all the money necessary to make the total payment in one year when we have three years in which to pay it. That seems obvious.

Mr. Clark: That is three metric years.

Mr. Hnatyshyn: Madam Speaker, it is easy to see why the minister is regarded as the J. R. Ewing of Canadian politics.

Some hon. Members: Oh, oh!

PARLIAMENTARY APPROVAL FOR FINANCING BY GOVERNMENT

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, I would like to direct my question to the Minister of Finance. Maybe we can get some answers out of him.

An hon. Member: Who?

Mr. Hnatyshyn: Yesterday, J. R. Ewing—

Oral Questions

Some hon. Members: Oh, oh!

● (1425)

Mr. Hnatyshyn: In response to a question from my colleague from St. John's West yesterday, the minister indicated a tax would be imposed. Will the minister be bringing legislation forward in the near future seeking authority from Parliament in this regard? He indicated he would not be looking toward taxation as the sole source for the required amount. Can the minister tell the House where the money will come from? Will it be exclusively on a tax base and Canadian ownership charge, or did he authorize this transaction with no idea where the money would come from?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, whatever funds will be made available by the Government of Canada to Petro-Canada will be raised through the charge that was mentioned in the budget. That will obviously require the normal parliamentary approval. When the moment comes to seek parliamentary approval, after the amounts are determined, we will proceed in the normal way and probably table a ways and means motion prior to the necessary legislation.

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AUTOMOTIVE INDUSTRY

PRICE OF AUTOMOBILES MADE AND SOLD IN CANADA

Mr. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Minister of Consumer and Corporate Affairs. Figures released today show that the sale of imported cars on the Canadian market increased during the past year by 24 per cent while sales of North American or Canadian produced cars dropped by 10 per cent. One of the obvious reasons for this is that for years General Motors, Chrysler and Ford have been overcharging Canadians. Considering that a car produced on the Canadian side of the border in 1981 will sell in the United States at \$500 less than in Canada, even taking into account the differences in taxation and the Canadian dollar value, will the minister take immediate steps to have the price of Canadian produced cars sold in Canada the same as in the United States in order to benefit both Canadian consumers and workers?

[Translation]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs and Postmaster General): Madam Speaker, there are many reasons why Canadian consumers purchase one model of car rather than another, and I do not agree with the leader of the New Democratic Party that it is because of the cost of some big cars. I believe that the hon. member is simplifying the reasons why some small foreign cars are now more popular with Canadian consumers than the traditional big cars.