

affect prices. He has had to look for villains or evils in other sectors of the economy to overcome the fact that, above all, labour costs, as is the case with many other costs, are important from the standpoint of inflation.

He has been unable to refute the argument which has been advanced by the Prime Minister (Mr. Trudeau) and other speakers on this side of the House, that unless there are some restricted restraints with regard to the compensation side of our economy, not only will the inflation get worse, or not better in this country, but that indeed over a period of time our competitive position, and therefore the jobs of Canadians, will suffer as well. The leader of the New Democratic Party cited the three areas of food, shelter and energy costs as his party's explanation of why we have inflation, and he insisted that, in effect, nothing had been done to protect Canadians in these particular areas.

I think it is fair to say—the Leader of the Opposition (Mr. Stanfield) has already referred to this—that there were a substantial number of contradictions in what the hon. gentleman had to say. At one point late in his remarks he was saying the government was spending too much and that certain programs had to be cut down. At another point he was saying that, of course, the government had done absolutely nothing in the form of its budgetary expenditures to deal with the problems of inflation affecting Canadians. I shall not again go into the various increases that this government has been responsible for in respect of old age security, the guaranteed income supplement, veterans' benefits and other payments for the purpose of enabling those particular groups of Canadians for whom we have a special responsibility to keep up with rising costs. However, I believe it is fair to point out to the two members of the New Democratic Party who are present at this time that this government, in its budgetary provisions, has made provision not just for hundreds of millions of dollars but for billions of dollars specifically for the purpose of keeping down the cost of food, shelter and energy for Canadians.

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

**Mr. Macdonald (Rosedale):** Because we have had a recent debate on the question of housing in Canada I will not refer in detail to the various substantial programs—I think I would be correct in saying in the aggregate of over \$1 billion a year—under the jurisdiction of my colleague, the Secretary of State for Urban Affairs (Mr. Danson), specifically for the purpose of providing additional housing for Canadians of low income. I refer to the most recent program announced both for the extension of AHOP and subsidized rental housing to provide Canadians, particularly those at the lower end of the income scale, with better and more housing at a price they can afford.

So I think it is a little disingenuous for the leader of the New Democratic Party to say that the government has made no budgetary provision, for example, to provide low-cost housing for Canadians when in fact even a quick examination of the Blue Book would indicate that over \$1 billion has been appropriated for this purpose.

• (1410)

With respect to energy, the leader of the NDP took the position, again, that this government has done nothing by

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way of budgetary provision to provide for the higher costs of energy with which not only Canadians but all world consumers of energy have been faced in recent years due to the action of the OPEC countries in quadrupling the price of oil. Here, again, I suggest that the allegation that nothing has been done is unfair. I point out to the leader of the NDP that in budgetary terms and in terms of the current fiscal year 1975-76, this parliament in the aggregate will appropriate \$1.5 billion for the oil subsidy payment, for example, to keep down the cost of fuel oil in the constituency of the hon. member for Cape Breton-East Richmond (Mr. Hogan) and in other constituencies east of the well known Ottawa Valley line.

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

**Mr. Macdonald (Rosedale):** Whether we are talking about Canada or any other countries in the world, there is a basic fact to be recognized: higher energy costs for the world in general are here to stay; these prices have to be paid, and no element of rhetoric and none of the old arguments about attacking multinational corporations or accusing the federal government, in its dealings with provincial governments, of causing the problem can get away from that fact which we should all recognize and take into account. That is, that we will have to pay higher costs for energy. This is inevitable for each of us when we go to purchase gasoline, fuel oil, to pay our hydro bill or whatever it may be. Therefore, it seems to me rather contradictory and inconsistent for the hon. gentleman to say to the House that the government has done nothing to restrain energy costs, when in the first place this government has been responsible for keeping down the price of oil for all Canadians at a price level \$4 under the world price.

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

**Mr. Macdonald (Rosedale):** Especially when the NDP provincial governments of Saskatchewan and British Columbia, as much as the governments of any other energy-producing provinces, have sought higher prices for their own energy commodities.

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

**Mr. Macdonald (Rosedale):** I do not disagree with the Premier of Saskatchewan when he goes to federal-provincial meetings and tells us not to expect Saskatchewan to take anything less for its energy commodities than any other province, particularly Alberta. I do not disagree with Premier Blakeney when he says that, and I do not disagree with the government of British Columbia when it says that natural gas is a scarce resource which can be replaced only by expending more money to find additional natural gas and it will need a bigger cash flow back to the industry for the purpose of finding these resources. I agree with the governments of British Columbia and Saskatchewan that for reasons of revenue to the province and for developing additional resources we are going to have higher prices for energy in this country.

However, it seems strange to me that in the face of the fact that we have these circumstances at the present time and that we have to find energy, the national leader of the NDP contradicts what the two provincial premiers say.