

Oral Questions

Mr. Jarvis: Madam Speaker, will the minister confirm that he proposed to the producing provinces an annual price increase of \$1 per barrel on Canadian crude oil, plus an export tax on natural gas?

Mr. Lalonde: "Non, madame le Président."

Mr. Jarvis: Madam Speaker, I wonder, then, whether the minister would confirm that it is not the intention of this government to reach an agreement by the end of June but, rather, it is government policy to permit the present agreement to expire on June 30 and then act unilaterally as a federal government to set prices after that date?

Mr. Lalonde: Absolutely not, Madam Speaker.

[Translation]

POSSIBILITY OF OBTAINING IDENTICAL PRICE FOR GAS IN
ONTARIO AND QUEBEC

Hon. Roch La Salle (Joliette): Madam Speaker, my question is also directed to the Minister of Energy, Mines and Resources. The minister announced recently the construction of a pipeline in Quebec. In connection with natural gas, in view of the fact that Quebec is levying, I understand, an 8 per cent tax on natural gas, did the minister meet with his counterpart or with authorities in Quebec to discuss that matter which is, on one hand, a revenue for Quebec but could also be an additional cost for other areas?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): I thank the hon. member for raising this matter which is surely an interesting point for Quebecers, especially for those who reside between Montreal and eastern Quebec and who, as the result of our recent announcement, will finally have natural gas available. I must say that so far it has been impossible for me to meet my Quebec colleague. As the hon. member knows, in recent weeks Quebec politicians were busy dealing with other matters. We have agreed to meet on Monday or Tuesday two weeks from now, that is, on June 16 or 17. I will be pleased to acquaint my Quebec colleague with the problem raised by the hon. member for Joliette.

Mr. La Salle: Madam Speaker, I wish to direct my supplementary question to the same minister. If I understand correctly, the purpose of the negotiations with the producing provinces is to ensure uniformity of prices in some areas. Could the minister indicate whether he will recommend identical prices for Ontario and Quebec? I am not referring to the 8 per cent tax, but to the price of natural gas.

Mr. Lalonde: This is certainly a possibility we will consider. No final decision has yet been made, as the hon. member is certainly aware, for Montreal is still included in the Ontario price zone. What must now be determined is whether this price zone should be enlarged to include Quebec City and even,

some day, the maritime provinces. This issue has not been settled yet but will be dealt with during the next few weeks.

Mr. La Salle: Madam Speaker, I should like the minister to give more information, for instance whether he is thinking of having identical prices in Ontario and Quebec, considering the zones that will be identified with regard to the arrangement?

Mr. Lalonde: As I said earlier, Madam Speaker, this theory is now under study and consideration. However, no decision has yet been taken in that regard.

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● (1420)

[English]

INDUSTRY

NEGOTIATIONS TO IMPROVE AUTO INDUSTRY AND GUARANTEE
JOBS FOR CANADIANS

Mr. Ian Deans (Hamilton Mountain): Madam Speaker, I have a question for the Minister of Industry, Trade and Commerce.

Given that a large number—30,000 or more—of Canadian auto workers are unemployed and that, in spite of the fact that most of the cars manufactured in Canada under the auto pact are sold in the United States, we are still suffering an \$11 billion deficit, and given that foreign car manufacturers are making great inroads into the U.S. market, which will undoubtedly result in cutbacks in our sales in the United States, what negotiations are presently taking place between the Canadian government and foreign car manufacturers to try to offset the difficulty that we are presently facing and to guarantee jobs for Canadian workers?

Hon. Herb Gray (Minister of Industry, Trade and Commerce): Madam Speaker, my officials have been in contact with a number of manufacturers, but I want to report to the House particularly about my personal efforts to ensure that Canada gets a fair share of Japanese automotive investment in North America.

I raised this question directly with the Prime Minister of Japan and his minister of finance when they were in Canada some weeks ago. I followed this up with discussions with the Japanese ambassador, and I intend to go to Japan to meet with officials of the Japanese government and the heads of motor vehicle manufacturing companies as soon as their election is out of the way and they form a new government. This is a matter to which I intend to apply, and have been applying, the very greatest priority.

Some hon. Members: Hear, hear!

Mr. Deans: Madam Speaker, I have a supplementary question, if I may. I applaud the minister's intent.

Some hon. Members: Hear, hear!