

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. gentleman will perhaps have divined that the figure there is a maximum figure which we anticipate would be involved at this particular time. The various predictions he has sought are difficult to make in light of the discussions which will be occurring between first ministers in April of this year. Therefore, we have taken the precaution of indicating a maximum amount. It could well be that as a result of both those discussions and other events the amount may be very much lower.

Mr. Balfour: Mr. Speaker, the item is \$1.3 billion. Would the minister therefore indicate the maximum assumptions he made with respect to the three components which I identified?

Mr. Macdonald (Rosedale): Mr. Speaker, the hon. member may recognize at once that the assumptions are about equal to those now applying.

* * *

FINANCE

ASSUMPTIONS ON WHICH OIL IMPORT COMPENSATION PROGRAM BASED—POSSIBILITY OF BALANCE BETWEEN REVENUES FROM EXPORTS AND PAYMENT FOR IMPORTS

Mr. Jim Balfour (Regina East): I will direct my supplementary to the Minister of Finance. Would the minister tell the House whether his budget forecasts concerning the payment of the oil import compensation program were based on the assumption that expenditures within this program would be fully balanced by the revenues from the oil export charge, and if not, by what amount does he estimate such revenues will fall short of the \$1.3 billion cost of this program?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the hon. gentleman is putting the question in different terms, but it has already been answered by my colleague the Minister of Energy, Mines and Resources.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I would like to direct my question to the Minister of Finance. I will be rephrasing what I think is the same question. Does the Minister of Finance anticipate that revenues from the export tax which currently roughly balance the allocations to the subsidy programs for oil east of the Ottawa valley will continue,—that is this balance of revenues in terms of oil export and payments for imports, will continue for the next fiscal year?

Hon. John N. Turner (Minister of Finance): As the hon. gentleman admitted it is virtually the same question.

Some hon. Members: Answer it.

Mr. Turner (Ottawa-Carleton): That will depend very much on the pricing arrangement made by first ministers in April and on the phasing out of exports.

Mr. Andre: Do the revenue forecasts of the Minister of Finance rely on the statement of the Minister of Energy, Mines and Resources on November 22 which indicated the

Oral Questions

government's intention to reduce the level of export of crude oil to 650,000 barrels per day, or do they not?

Mr. Turner (Ottawa-Carleton): I think the Minister of Energy, Mines and Resources indicated that this would be subject to conversations with the provinces.

* * *

SOCIAL SECURITY

REASON FOR FAILURE TO PRESENT GUARANTEED ANNUAL INCOME PROGRAM TO PROVINCES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Since those most seriously affected by the present rate of inflation are the poor in Canada, whether they are the working poor or not, could the minister inform the House why, after spending between \$2 million and \$3 million in his department in the last year and a half on more than 600 studies on the question of a guaranteed income program for the poor, he did not see fit to present to the ministers from the provinces in the last few days at the conference a specific proposal in this area for their acceptance, nor did he on the part of the federal government decide to accept some kind of alternative proposal by the provinces.

[Translation]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, first of all I am pleased to see the hon. member take note of the many studies which have been made. I remind him that these studies have not been carried out only by my department but also by the provincial governments and that they are the result of a joint effort by the provinces and the federal government.

As to the position of the federal government, I made it clear at the conference. It contains specific proposals made in the context of proposals advocated in the working paper on social security reform, and I am pleased to inform the hon. member, if he has not yet read the news release published at the end of the conference, that during this meeting the provincial and federal governments agreed on a general approach to this question of social security reform.

[English]

Mr. Broadbent: I would ask the minister if it is a fact that he said to the ministers from the provinces that this program had to be put off two or two and a half years because the program was too costly? If so, was this based on the cost estimate in the neighbourhood of \$1 billion which would be shared between the provinces and the federal government if it was brought in under the Canada assistance program, for example, and if so, does he really think that the economy of Canada could not sustain that kind of expenditure?

[Translation]

Mr. Lalonde: Mr. Speaker, I am afraid I have to answer that the hon. member's informers are wrong. I simply refer him to the statement I made at the beginning of that conference, to the effect that the government proposed for 1976 setting up an income support program for Canadians