

Oral Questions

again, I want to remind him of the very exceptional and compounded difficulties which Canadians who live in the mid-Canada section, the northern part of the provinces and the northern regions of Canada, are facing with respect to the high cost of living and the energy package. We have situations where people have to walk away from their homes. They cannot afford to buy heating oil at \$2 a gallon or to buy gasoline which costs \$3 and \$5 a gallon in some areas of northern Canada. Does the minister have any compassion for these exceptional problems in Canada? Is there any plan, such as an energy tax credit or any kind of emergency plan, which the government is intending to implement to mitigate against these very serious difficulties in the north?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, obviously the government is concerned about the impact of energy prices on Canadians and, of course, on northern Canadians. It was because of that concern that the government brought in a pricing regime which placed a less onerous burden on Canadian consumers than that put forward in the budget of my predecessor.

Mr. Crosbie: Rubbish. Tired excuse.

Mr. MacEachen: Again, the hon. member has referred, as have other spokesmen in the opposition, to an energy tax credit and a mortgage tax deductibility program as solutions. I remind him that the imposition of the 18-cent tax on gasoline in their budget, which is fresh in our memory because of the anniversary date, would have virtually wiped out all the benefits proposed in these programs.

REQUEST FOR EMERGENCY MEASURES TO RELIEVE HARDSHIP

Mr. F. Oberle (Prince George-Peace River): Madam Speaker, I should like to address my supplementary question to the Prime Minister, who seems to be very preoccupied these days with the North-South dialogue. I wonder if he could project himself to the North-South problems in our country. Is he aware that there are small children and old people living in the north who are starving, who are deprived in a way comparable to Third World conditions, because of the harsh realities of the economic situation in our country? People of the north cannot transport themselves by way of a transit system. They are restricted to the use of their cars or to aircraft. Most part of the year is very cold, they must heat their homes and the situation is desperate. Will the Prime Minister undertake, with his cabinet, to attempt to work out a program which will address itself to this rather serious emergency situation in the north?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, I recognize that life in the north entails many difficulties and even hardship. I have made several trips into the north and have indeed tried to introduce policies and measures which would alleviate some of those hardships. If anyone is actually starving, as the hon. member suggests, I wish he

would communicate their names immediately to the government so we could take emergency measures.

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ENERGY

INQUIRY RESPECTING CONTINGENCY PLANS TO ASSIST UNEMPLOYED OIL WELL DRILLERS

Mr. Bill Wright (Calgary North): Madam Speaker, my question is for the Minister of Energy, Mines and Resources. Canadian oil well drilling contractors reported in November that 120 drilling contracts had been cancelled and that 60 more rigs were scheduled to leave the country. According to the drilling contractors, approximately 10,800 jobs will be lost in western Canada. This information was provided to the government one month ago. Could the minister tell the House if he has any contingency plans to help these workers?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I have had a very fruitful meeting this morning with representatives of the drilling contractors association. During the discussions it became clear that the best solution was an early agreement between the government of Alberta and the Government of Canada. The drilling contractors recognize this requires the willingness of both governments to sit down, negotiate and compromise. They indicated they would make similar representations to the government of Alberta in order to arrive at an early agreement.

Mr. Wright: Madam Speaker, I am sure all these workers will like the minister's answer. In addition to the 10,800 workers who will be out of work this spring in western Canada, there are many workers in central Canada who also will be out of work. Could the minister tell us how many workers will be affected in Ontario and what plans he has to help these workers?

Mr. Lalonde: I have to remind the hon. member that the best solution is one whereby an agreement will be reached that would be fair to the Canadian public in general as well as to the industry. I have to remind the hon. member that every dollar increase in the price of oil means that Canada loses 20,000 jobs; that is, 20,000 more unemployed, on a net basis, result from this increase in the price of oil. This is based on figures provided by OECD which apply to all other industrialized countries. We see the results in the western world of the impact of high increases in the price of oil which have now taken place together with a tremendous increase in unemployment in the whole industrialized world, whether it is in Europe, in the United States or in Canada. One has to bear in mind those factors. The price of oil cannot be increased very much without having a negative impact, both in terms of inflation and in terms of unemployment, and I invite my friends to reflect on that also. That is why we are trying to arrive at an agreement which will provide for fair prices to Canadians, as the budget did at the end of October.