

Oral Questions

In June 1990, a barrel of oil was \$18.85, a drop of \$7, and in June 1990, the price of gas went up to 57.8 cents.

In October of this year the price for a barrel of oil was approximately \$40 U.S. a little over a week ago, and the price of gasoline was 63 cents a litre. Now the price for a barrel of oil is down to \$28 and gasoline is still 63 cents a litre.

As a former minister of health, can the minister tell us why the oil companies act like they have Ex-lax when the price has to go up but Kaopectate when the price has to come down? Can you tell us that, Mr. Minister?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, as minister of health, neither my age nor expertise gave me the ability to describe those situations the hon. member is experiencing.

Some hon. members: Hear, hear.

Mr. Epp: I want to tell the hon. member that we are concerned about energy prices. Along with the Minister of Consumer and Corporate Affairs, we are monitoring the cost of energy to consumers very carefully.

Last week I was asked about the increase in the price of energy. I said there is a mathematical formula both up and down and that is for every dollar of increase per barrel of oil, approximately a \$20 benchmark, it is about .7 cents per litre increase, but it also has to factor in taxes.

What we will be doing tomorrow is meeting with the industry as well as consumer groups and we will be discussing these various issues. I say to the hon. member that we have moved toward a world market price for oil, both for Canada as well as, obviously, the imports we have to pay for, and we will continue monitoring.

Keep in mind as well the accounting system which we have in Canada for oil going into the system as well as oil going out, as against the American system which has a much bigger response time.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I was not impressed with the answer.

Some hon. members: Oh, oh.

Mr. Barrett: Are you suggesting that the government have an enema?

Why is the minister going to have a friendly chat with the oil industry tomorrow at the same time there is legislation selling off Petro-Canada? If the minister was serious in monitoring the price, he would use Petro-Canada. Why does he not use the government instrument of Petro-Canada to check on the gas prices in this country?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I appreciate the hon. member did not like the answer I gave him, but I hope that the diagnosis still fits. I remember 1972-74 and the creation of Petro-Canada. The former minister of energy, Mr. Lalonde, was quoted just today on a question on Petro-Canada. "Wasn't Petro-Canada supposed to protect us, the consumers, against the vagaries of a market and the kind of inconsistent behaviour and buffeting around that happens out there?" That was the question.

This is today's answer. He said today on the Peter Gzowski show: "No, that was never the purpose of Petro-Canada, not to protect us against the vagaries of the market. It was to provide the Canadian government with an insight on the industry, a window on the industry if you wish, and secondly provide a significant Canadian ownership in the industry. But nobody ever guaranteed that the existence of Petro-Canada would mean cheaper oil".

* * *

NUNAVUT

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, in the absence of the Prime Minister, my question is for the Deputy Prime Minister.

As the Deputy Prime Minister knows, division of the Northwest Territories in order to create a homeland for Inuit called Nunavut is a long-standing goal of the Inuit of the central and eastern Arctic. Toward this goal, the Government of the Northwest Territories and the Inuit negotiators recently agreed to a target date for the creation of Nunavut.

What steps is the Government of Canada taking to support the creation of Nunavut, both politically and financially?

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I thank the hon. member for his question. We indeed are very