

the wide discrepancy between the initial price and the final price, all of which is having a very bad impact on deliveries to the elevator system, can the minister tell the House when we can expect an upward revision in the initial prices of wheat and barley? Will it be before the end of the year?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the timing of any change is under consideration. Differences of price are, of course, to be explored but any change of initial price would not alter the fact that there would be a distinct and different price for the off board market which would reflect the views of farmers on particular supplies and their judgment of the market for the year.

Mr. Mazankowski: A supplementary question, Mr. Speaker. Having regard to the fact that this is under consideration could the minister give the House some idea of the range the upward revision might take?

Mr. Lang: No, Mr. Speaker. I think perhaps it would be better to await the formal decision.

* * *

FEDERAL-PROVINCIAL RELATIONS

MEETING WITH PREMIERS OF PROVINCES—FEDERAL TAX ON PETROLEUM—POSSIBILITY OF AGREEMENT

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a question for the Minister of Finance. Crude petroleum is one of the commodities that brought about some degree of inflation because of our imports, so its supply is important. Was there discussion yesterday between the Minister of Finance, the Prime Minister and the premiers of the provinces with a view to reaching an agreement on the resources of the provinces, with particular reference to the federal surtax which is really a super tax on top of any initial price of crude petroleum per barrel and also royalties charged by the provinces. Was there any agreement in this regard?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I do not accept the description of the federal position on that issue but the question of resource tax by provincial governments and the federal government was discussed yesterday.

Mr. Woolliams: A supplementary question. Would the minister at least take the House into his confidence as he did the newspaper reporters in Edmonton? The *Globe and Mail* reported what was discussed. Will there be some compromise on the federal tax which the provinces, on the whole, object to because of the federal government's interference with the constitutional rights of the provinces?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. gentleman and I have had some discussion in this House on the interpretation he wishes to take from a reporter's judgment. I will say to him that in no way did I or the Prime Minister reveal what the budgetary response is going to be in this discussion. We did lay our cases as openly and frankly as we could to the provincial premiers and, in the later session, to Premier Lougheed.

Oral Questions

CANADA DEVELOPMENT CORPORATION

SUGGESTION CORPORATION DIRECT CONNAUGHT LABORATORIES NOT TO INCREASE PRICE OF INSULIN

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question to the Minister of Finance concerns the price of insulin which has increased by about 20 per cent in the past year. In view of the fact that the price of insulin was held steady for years when Connaught Laboratories was under the aegis of the University of Toronto, can the Minister explain why insulin production was put on a profit-making basis when Connaught Laboratories became part of the Canada Development Corporation? Will the minister give direction to the Canada Development Corporation to ensure that Connaught Laboratories refrain from future price increases of insulin supplies to the 200,000 Canadian users?

Some hon. Members: Hear, hear!

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I was given a report on that subject which I cannot find at the moment but I will give it in full detail to the hon. member.

* * *

ENERGY

ATHABASCA OIL SANDS—POSSIBILITY OF FEDERAL GOVERNMENT PURCHASING INTEREST OF SHELL COMPANY IN UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. In view of the fact that Shell Canada Ltd. has indicated its intention to proceed with the construction of a \$1 billion plant on the Athabasca oil sands despite the fact that its partner, Shell Explorer Ltd. of Houston, Texas is seeking to dispose of its 50 per cent equity, can the minister tell the House whether the federal government is prepared to enter into negotiations with Shell Canada Ltd. with a view to picking up the equity of its partner in order that the Canadian people may have some public participation in the development of the Athabasca oil sands?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, Shell Canada Ltd. has indicated its wish to go ahead and, with the assistance of its ex-partner, to try to find a replacement partner. As I mentioned the other day, it is conceivable that one or other of the public corporations now operative at the provincial level might wish to buy in. It is also conceivable that when Petro-Canada is formed it might like to participate. At this point we have not made any suggestion that we would take over the partnership interest.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question. May I ask the minister if the federal government, either through the Canada Development Corporation or the Canada Petroleum Corporation, when it is formed, would be prepared to enter into negotiations with the governments involved for some