

minister prepared to give an unqualified commitment on the part of the government that there will be adequate funding over the next five-year period to cover inflation and improvements in the medical insurance program? Can she give the general assurance right now to the provinces so that they can get on with their planning?

**Miss Bégin:** The analysis of Mr. Justice Hall is very clear as to the funding of the medicare system in Canada. If the hon. member would take the trouble to read the report carefully, he will see that Mr. Justice Hall does not consider that there is underfunding by the federal government. On the other hand, the CMA issued a press release only a few days ago which speaks of underfunding in some of the provinces which led to the erosion of medicare. That is the analysis on which we base our work.

I said just now in my previous reply that we are not talking of any cuts. The hon. member makes a mistake if he thinks that only CAP and medicare are social programs in the broad sense. We are reviewing our programs with a view to focusing on those most in need. It is obvious, and we have repeated it often, that no cuts are being made to medicare in any way, shape or form, but in the renegotiation we will want more control and compliance with the conditions.

\* \* \*

● (1440)

#### NATIONAL ENERGY PROGRAM

##### NEGOTIATIONS WITH ALBERTA—REPORTED FLEXIBILITY IN OIL PRICING PROPOSALS

**Hon. Michael Wilson (Etobicoke Centre):** Madam Speaker, yesterday the Minister of Energy, Mines and Resources suggested that I should speak directly to the Prime Minister on the question of oil negotiations, so I will address my question to him today. Yesterday his minister indicated some slight flexibility on the whole question of oil pricing in connection with the energy deadlock between the province of Alberta and Ottawa. Since the Minister of Finance previously indicated absolutely no flexibility on this subject, my question for the Prime Minister is: which minister is speaking for the government? Is a price increase of \$6 per barrel under consideration, as seemed to be indicated by the Minister of Energy, Mines and Resources yesterday, or is there a further increase of \$6.50 to \$7.50, including the petroleum compensation charge, as indicated by his former colleague, Donald Macdonald, in a speech yesterday?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, I doubt whether Mr. Macdonald is privy to the kind of negotiation which the federal government would be prepared to embark upon with the government of Alberta. My understanding is that there have been meetings between deputy ministers and officials in the relative departments, but at the ministerial level the Minister of Energy, Mines and Resources merely indicated that we were prepared to resume

talks, as I believe I indicated two or three days after the budget.

That is still our position. We are ready to discuss various aspects of the new energy policy, as I indicated in answer to an earlier question, both with the industry and with the province. However, what must be understood is that in its fundamentals, in the attempt we are making in that new energy policy to get a larger share of petroleum revenue for the federal government, and to ensure this share is employed throughout Canada to develop self-reliance in energy, particularly in the petroleum industry, the policy will not be changed. These are principles upon which the government fought an election campaign, obtained the support of the people, and these are the principles with which we intend to push forward.

**An hon. Member:** You are dividing the country.

**Mr. Wilson:** Madam Speaker, I understand from that answer that the flexibility on the question of price, as indicated by the Minister of Energy, Mines and Resources, is not under consideration and that the minister was offside in the statement he made to me yesterday when he indicated there was some possibility the government would accept a price increase of up to \$1.50 per barrel.

My supplementary question is directed to the Prime Minister. In the event the government decides, to use the Prime Minister's own words, to cave in to the industry, would he make a firm commitment to the House today that any increase in price over and above the price indicated in the energy program would be accompanied by some form of support to low and middle-income earners? I am thinking of something similar to the energy tax credit included in the budget of the hon. member for St. John's West.

**Mr. Crosbie:** Hear, hear!

**Mr. Trudeau:** Madam Speaker, just responding a moment to the preamble of the hon. member, I should say no, he is not justified in drawing that conclusion. I indicated that the minister and the government were prepared to embark upon new negotiations. I did not exclude or include any particular area of negotiation. I do not see why the hon. member says that there is a contradiction between what the minister said yesterday on prices and what I said today.

As for his second point or his question concerning support to the Canadian consumer, I repeat what has been pointed out by the Minister of Finance, that compared to the previous government's budget and energy policy, which did not even have the agreement and accord of the Premier of Alberta—

**Mr. Hnatyshyn:** Wrong.

**Mr. Crosbie:** Wrong again.

**Some hon. Members:** Table it.

**Mr. Trudeau:** I think this is a matter of disagreement on fact. If an agreement has been reached, I wish the party opposite would establish it by tabling that agreement, or at