

was rather sorry to see how someone could be so misguided and so misinformed about the situation and about the facts.

Again, what could the hon. member have said? She could have said that the Conservative proposal was hurting the consumer a lot more. She could have said that a good part of the increases which have taken place result from the Alberta government production cutbacks. She could have said the Liberals have kept their commitments during the election. She could also have said that, in addition, the Liberal government has brought in measures to protect the consumer. She forgot to mention these.

For instance, the people who live in Kingston have choices and can switch to heating fuels other than oil. The government is providing up to \$800 per family to facilitate this conversion to products other than oil, whether they be electricity, natural gas, wood, propane, solar energy, wind energy or other forms of renewable energy that they might prefer. That grant is available to all those who want to abandon oil for heating purposes and switch to other forms of energy. As a matter of fact, the government has allocated well over \$1 billion for this particular program so that Canadian consumers can be helped to adjust to other forms of energy that will be cheaper than oil.

● (1600)

We have also taken other measures. The hon. member referred to the maritimes. We have allocated up to \$500 million to help in the construction of a gas pipeline to the maritimes and one to Vancouver Island in order to ensure that the people of the maritimes in particular will have access to natural gas in the same way as the other major regions of the country have at the present time. That money will ensure that the people of the maritimes will be able to count on a natural gas supply coming to them at a price that will not only be competitive with other forms of energy but will be the same, basically, as the price in Toronto. Through that policy we will help the people in the maritimes and eastern Quebec get a fair deal as a result of the National Energy Program.

**Miss MacDonald:** Oh, oh!

**Mr. Lalonde:** I see that the hon. member for Kingston and the Islands (Miss MacDonald) is back; I noticed her return to the House.

[*Translation*]

Mr. Speaker, those are some of the things the hon. member for Kingston and the Islands (Miss MacDonald) and other members of this House could have mentioned to their constituents.

In fact, the National Energy Program proposed and announced when the last budget was brought down protects the consumer much more adequately and even generously than did the Progressive Conservative budget that was defeated in 1979. Mr. Speaker, because of the price increases we have had to impose as a result of the cut of 120,000 barrels a day made by one provincial government in the production available to Canadians, a shortfall that has to be made up with foreign

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imports at a very high cost, we have had to add about 7¼ cents per gallon, that because the Alberta government decided to reduce production needlessly, doing considerable harm to Canada as a whole in the process. Despite those increases, the current price of gas is still lower than it would have been under the Progressive Conservative government. The hon. member could have pointed out once again that the Liberal party, this government, has lived up to its promises to the consumers. Last year, we saw to it that the price of gas did not go up by 18 cents. So far, we have managed to see to it, and will continue to do so until the next election, that the net result of the National Energy Program is a consumer price that is much lower than it would have been under the Progressive Conservative government.

We implemented a program of predictable and gradual increases to allow consumers to adjust. It is precisely for this reason that a few weeks ago we announced a program of grants of up to \$800 to help people convert their heating system from oil to some other form of energy, either electricity, natural gas, solar energy, wood or any form of energy other than oil.

The measures we announced are efficient and they will provide an alternative to oil dependency, as petroleum prices can only rise in the years ahead. Furthermore, we added an extra \$500 million for the construction of the Q & M pipeline so that it could be built at a reasonable cost for the consumer and generate sufficient revenue for producers. We also announced that the price of natural gas in eastern Canada would be the same as in Toronto so that the have-not regions would be protected by the measures we announced and that we will implement as soon as the pipeline to eastern Canada and the maritimes is completed. So these are some of the measures we announced. I think the hon. member could have mentioned other things as well.

[*English*]

The hon. member alleged that the government would make money from the petroleum compensation account. I think she could have said to her voters on the weekend, "Don't believe that garbage; it doesn't make sense".

What happened was that in the last budget the Minister of Finance (Mr. MacEachen) indicated, as did the previous minister of finance in the Conservative government, that there would be a maximum subsidy for imported oil. In our case it was \$350 million. It has been shown that with the previous petroleum compensation charge, this would be totally inadequate to meet the cost in 1981-82. Had we continued with the previous charge only, we would have found at the end of 1981-82 that we had a deficit of some \$500 million that would have had to be paid by the taxpayers of Canada. By increasing the petroleum charge, we ensured that there would be an adequate collection of funds to make sure that the total deficit would be held down to only \$350 million.

The net increase in expenditures that we expected because of the value of the Canadian dollar relative to the United