

the last moment as special drought areas, and recognize that many western farmers still have legitimate claim to herd maintenance assistance, and adjudicate each case on its own merit.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1115)

ECONOMIC COUNCIL OF CANADA

RECOMMENDATIONS RESPECTING REGULATIONS—MOTION
UNDER S.O. 43

Mr. Scott Fennell (Ontario): Madam Speaker, under the provisions of Standing Order 43 I move, seconded by the hon. member for Calgary South (Mr. Thomson):

That this House commends the chairman and members of the Economic Council of Canada on the steps that they have proposed in their report on reforming regulations, to initiate the deregulation of the private sector and permit the ability of the free market system to operate in Canada.

Madam Speaker: Is there unanimous consent for this motion?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[English]

ENERGY

NEGOTIATION OF PRICING AGREEMENT WITH PROVINCE OF
ALBERTA

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my question is for the Minister of Energy, Mines and Resources. Since the beginning of 1980 the price of a barrel of oil has increased some \$12.79. Of that increase \$4 was shared by the federal government, the provincial governments of the producing provinces, and the industry. The federal government took in a total \$8.79. The result is that 72 per cent—would you like me to repeat those figures?

Some hon. Members: Oh, oh!

Mr. Wilson: Since 1980 the price of a barrel of oil has increased \$12.79 a barrel; \$4 of that was shared among the producing provinces, the federal government, and the industry, and \$8.79 was taken by the federal government. The result is that 72 per cent of the \$12.79 increase is taken by the federal government in the form of increased taxes, and the consumer

Oral Questions

has had to pay 60 cents more per gallon of gasoline during this period of time.

The Prime Minister indicated on Tuesday that the major obstacle in the current negotiations with the province of Alberta was in the area of revenue sharing. Can the minister indicate whether the price negotiations, in which he has played a part this week, concerned only a re-allocation of the \$8.79 among the other parties, the provinces and the industry, or is it the federal government's intention to keep all of that revenue? Is the minister only discussing a re-allocation of the additional price increases currently under discussion with his colleague in Alberta from now on?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, included in the prepared figures mentioned by the hon. member, which he attributed to the federal government, he knows that something like \$2 is a result of the cutbacks imposed by the government of Alberta.

Mr. Crosbie: That is nonsense. Pinocchio, watch your nose.

Mr. Lalonde: This charge was necessary to pay for the additional imports. In addition, a significant amount of the federal share also goes to pay for what is called the Syncrude levy. We have to pay world price for the oil produced by the tar sands plant and the production coming from that plant.

As far as the other part of the federal government share is concerned, most of that has to do with oil import payments. We have to pay high prices for oil imports because of decisions taken by OPEC over the last couple of years.

In terms of pricing itself, I want to repeat that what the federal government has been collecting has all gone for energy purposes in the area of oil payments.

Mr. Crosbie: Come off it.

Mr. Lalonde: It has not gone into the general revenue of the government for other expenditures.

As far as the issue of negotiations with the government of Alberta is concerned, I am pleased to inform my hon. friend that we have discussed both the question of revenue sharing and the question of pricing.

REVENUES FROM FUTURE WELLHEAD PRICE INCREASES

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, again I sought an answer and again I received no answer. The fact is that 72 per cent of the revenues are going to the federal government in the form of increased tax revenues. That is a fact and you cannot get away from it. The \$2 to which the minister referred, blame for which should be shared between himself and his colleague from Alberta, I agree, was instigated by the minister of energy in his energy program. Even if you take away that \$2, over 50 per cent of the revenues still end up in the federal coffers. That does not take into account the production tax or excise tax on natural gas also introduced in the energy program.