

Sherbrooke. I remind the hon. member, as did the hon. member for Sherbrooke in his question, that it was Canada which achieved movement in the area of international terrorism at the Bonn Summit. This subject was raised again by Canada at the summit last year in Venice. As I said, I am prepared to raise the subject again this year. Hopefully, Canada will be successful in having positive steps taken, as we had steps taken after the Bonn Summit.

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ENERGY

WELLHEAD TAX ON OIL—EXPORT TAX ON NATURAL GAS— REQUESTED WITHDRAWAL

Mr. Jack Shields (Athabasca): Madam Speaker, my question is for the Minister of Finance. The Minister of Energy, Mines and Resources said yesterday in Alberta that he is prepared to negotiate at any time with Alberta on an energy agreement. The Minister of Finance today has indicated that he is prepared to change certain clauses of the agreement. Is the Minister of Finance prepared to withdraw the 8 per cent wellhead tax on the production of oil, and is he also prepared to withdraw the export tax on natural gas, as proposed by the producing provinces?

● (1450)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I am sure that when the Minister of Energy, Mines and Resources was talking about negotiations he used that word with some care. Negotiations imply a willingness on the part of all participants to make adjustments. It is in that spirit that we are prepared to negotiate, on the understanding that those with whom we negotiate are also prepared to make accommodations and changes. That is the only spirit in which we would approach negotiations that would have any hope of success.

Mr. Shields: Madam Speaker, I would like to question the Minister of Finance once again. Will he clarify very simply whether he is prepared at least to negotiate the 8 per cent wellhead tax on petroleum and the export tax on gas?

Mr. MacEachen: Madam Speaker, we are prepared to discuss with the producing provinces—

Mr. Shields: Are you or are you not? Yes or no?

Mr. MacEachen:—all items which might lead to the conclusion of an agreement that would be fair to all parties. But to suggest at this stage that the Government of Canada should indicate unilaterally what items it is prepared to withdraw—

Mr. Epp: Never.

Mr. MacEachen:—would be a rather foolish operational method which I would not expect any hon. member to suggest.

Oral Questions

AIRPORTS

OWNERSHIP AND CONTROL OF NORTHERN AIRPORTS

Mr. Peter Ittinuar (Nunatsiak): Madam Speaker, my question is for the Minister of Transport. On January 19, the minister stated that he would not transfer responsibility for northern airports to territorial governments if safety was impaired by the process. Will the minister further reassure the House by telling us that he will not transfer responsibility until such time as it can be demonstrated that air services in the north will be improved by the process?

Hon. Jean-Luc Pepin (Minister of Transport): That is the idea, Madam Speaker. If I remember correctly, this policy has been in existence for three or four years. One transfer took place under this policy in the past. It is now being reassessed and future decisions will have to justify that all economic and safety aspects are met. I think the general proposition is that there are a number of instances where a local government can do a better job, with a small airport particularly, than the national government.

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DISARMAMENT

AGENDA ITEMS FOR MEETING WITH UNITED STATES PRESIDENT

Mr. Chas. L. Caccia (Davenport): Madam Speaker, my question is for the Prime Minister. In preparation for the meeting with President Reagan, would the Prime Minister take the initiative and seek to have included on the agenda for discussion the policy of gradual suffocation of armaments as proposed by Canada at the United Nations in May, 1978. In addition, would the Prime Minister seek the support of the United States government for holding a disarmament conference in Europe, as proposed by the French and Polish delegations at the Conference on Security and Co-operation which is scheduled to resume in Madrid on January 27?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, as to the first part of the question, for which I thank the hon. member and which is one very central to the Canadian government's concern, I would certainly hope that the United States would accept putting the question of east-west relations on the agenda in any forthcoming meeting I would have with President Reagan. It is essential that we discuss this together because it will obviously be an important part of the discussions we will eventually have at the summit in July.

In that regard, I can answer affirmatively to the hon. member's question that not only will we be discussing, for my part, the policy of suffocation but the other two elements of the speech on disarmament I made to the United Nations in 1979, that is to say, the resumption of the Strategic Arms Limitation talks and the comprehensive test ban.

As to the second suggestion made by the hon. member regarding the French proposal, I would say at this stage, not having examined it in detail, that we are in favour of confi-