

Oral Questions

fall, because of the negotiations. In spite of this, the government of Alberta has decided to add this cutback to the previous one, which means an increase to the consumer. I hope that we will reach an agreement whereby we will have predictable and moderate price increases to face over the next few years. What we are doing, what we are fighting for is an energy agreement that will mean the consumer will know what to expect, and by all accounts what the consumer can count upon is that what comes in the end will be lower than that foreseen by the Conservative party.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

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FINANCE

QUERY RESPECTING ENERGY TAX CREDIT

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, without engaging in an argument about who is going to have lower prices, let me ask about what I consider to be a very positive step that could be taken by the government.

This latest increase comes at a bad time because, as he knows, the consumer price index is at its highest level in 38 years. The Minister of Energy, Mines and Resources said last May that for every dollar increase per barrel in the price of oil, the consumer price index goes up half a percentage point, which means that last night's increase will raise the CPI almost to 14 per cent. I ask the Minister of Finance if he is prepared to cushion this increase for the low and middle income consumer by bringing in an energy tax credit—

Some hon. Members: Oh, oh!

An hon. Member: The NDP voted against that when they defeated the Conservatives' budget. That is a Conservative proposal.

Mr. Waddell: —by bringing in a tax credit that will help—

An hon. Member: You have been reading Crosbie's budget.

Mr. Baker (Nepean-Carleton): I want to hear this answer.

Madam Speaker: Order, please.

Mr. Hees: Your little brother voted against it, and now listen to him! Lord Almighty!

Madam Speaker: Order, please.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, in the event the hon. member did not hear my answer, it was that it is not my intention to introduce an energy tax credit. The purpose of part of this charge is to avoid increasing the deficit in the petroleum compensation account, which at budget time was stipulated to be \$350 million. If this particular charge were not

imposed to meet the contingencies mentioned by the Minister of Energy, Mines and Resources, the over-all deficit in the account would be increased as well.

Mr. Clark: Prove it, Allan. Table the figures.

Mr. MacEachen: That is the reason that, it seems to me, in order to maintain the fiscal framework and the stipulated deficit in the petroleum compensation account, it would be unwise at that very moment—

Mr. Clark: To help anybody.

Mr. MacEachen: —to frustrate the purpose by taking on a new expenditure.

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ENERGY

ALBERTA GOVERNMENT CUTBACKS IN PRODUCTION

Hon. John C. Crosbie (St. John's West): Madam Speaker, the energy critic of the NDP on December 13, 1979, voted against the energy tax credit that he asks for today.

My question is directed to the Minister of Energy, Mines and Resources, the patron saint of Maurice Strong and the Belgians, and not of the Canadian consumers. In the last year there have been 12 increases in oil and gas prices in Canada, nine of which are solely and purely increases in federal taxes, with nothing for the oil producing provinces themselves. The minister has offered to reduce by 7.25 cents, I think he said, the 60-cent increase in the last year if Premier Lougheed would agree not to reduce oil production. Will he reduce it a further 52 cents and take off these federal taxes if Premier Lougheed agrees to do that, or is he asking only Alberta to make the sacrifice while the federal government gets all the tax revenues?

Some hon. Members: Hear, hear!

● (1440)

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I only wish to remind the hon. member for St. John's West that after having brought down the outrageous budget which he tried to impose on the Canadian public—

Miss MacDonald: For 18 cents.

Mr. Lalonde: —he walked around the country in January and February of 1980, during the election campaign, saying that his budget had already been overtaken by events and that he felt there should be further increases over and above those contained in his budget. He should be the last one to complain about tax increases.

As far as the government is concerned, I repeat that we have made commitments about the prices in 1980 and over the period up to 1984. I assure the hon. member that Canadian consumers—