

*National Energy Program*

away the benefits of a made-in-Canada price with made-in-the-province taxes. For example, in Ontario and Quebec provincial retail sales taxes since 1978 have increased 51 per cent and 210 per cent respectively. On the other hand, motorists in Alberta and Saskatchewan, which provinces do not levy sales tax, enjoy gasoline prices below those prevailing in the United States.

● (2030)

[*Translation*]

Madam Speaker, I said earlier that Canada had made tremendous progress towards achieving the three basic goals set by the National Energy Program in 1980. Our aim was to achieve energy security for Canadians, and especially to achieve oil self-sufficiency by 1990. We have made tremendous progress in this respect, so much so, that while the Progressive Conservative government expected that we would have to import about 600,000 barrels per day by 1985, we can state today, with considerable assurance, that our import requirement will be less than 300,000 barrels a day in 1985, less than half the amount forecast by the previous government. Furthermore, Canadians have taken advantage of programs set forth in the National Energy Program, namely, home insulation and off-oil substitution by natural gas, electric power or other forms of energy. Since 1980 alone, Madam Speaker, over one million Canadians have insulated their homes, and have thus been able to reduce energy costs quite substantially, and in some cases bring them down to half of what they would have had to pay otherwise. In addition, during the last twelve months, over 200,000 Canadians have switched from oil heating to gas, electricity, wood or other forms of energy, again with considerable savings.

We have also promoted the marketing of Canadian natural gas in eastern Canada. We supported construction of the pipeline to the Maritimes, and we continue to support this project very strongly. In fact, the pipeline will reach Trois-Rivières this fall, and is expected to reach Quebec City next January. In addition, thanks to an agreement concluded recently with Nova Scotia on the development of offshore resources, we now expect it will be possible to bring into production the natural gas reserves around Sable Island off the coast of Nova Scotia. It is quite possible that by 1987, we could have a situation where a gas pipeline would be carrying natural gas, not from west to east, but from east to west, which would greatly enhance the economy of the province of Nova Scotia and of the Maritimes in general. However, we want to make sure that Canadians in Quebec and the Maritime provinces will have access to natural gas as soon as possible. That is why I announced this evening that we shall first provide complete financing for all engineering projects that will have to be carried out between Quebec City and the Maritimes in connection with the construction of the gas

pipeline, to ensure that Canadians in these areas will be able to benefit from this project as soon as possible.

We have also established a special fund of \$500 million, that will be used to finance the cost of branch pipelines in Quebec, to ensure that people in the areas of Lac Saint-Jean, Beauce, the Eastern Townships and elsewhere in Quebec will be able to obtain natural gas through branch lines already approved by the National Energy Board, and this without delay and at a cost that is truly reasonable. In fact, Canadians in the Maritimes and Quebec will be paying the same price for natural gas as they would in Toronto.

And this measure we are announcing this evening should ensure a rapid extension of the natural gas distribution system in Quebec.

I have also announced a series of further measures to provide assistance to the oil industry. The amounts involved are considerable, since they will exceed \$2 billion between now and 1986. In fact, more than half of this amount will be transferred to the industry within the next eighteen months, and will be especially helpful to small oil industries, a great many of which are of Canadian-owned.

The question we must ask is: Who is going to pay for the benefits or concessions we are providing the industry at a time when it is facing very specific problems? I want to make it quite clear to consumers that none of these measures will involve any price increases for consumers for natural gas or oil over and above the increases provided in the agreements concluded last year with Alberta, Saskatchewan and British Columbia—

**Mr. Clark:** That is not true!

**Mr. Lalonde:**—so that these measures will not entail any increases over and above those provided in the agreements.

Madam Speaker, our goals were energy security, and we are convinced we shall attain these goals by 1990. Today, we are in a situation where we are importing far less oil than was previously expected, and less than was forecast in the 1980 National Energy Program. We have been able to maintain oil and natural gas prices at levels that are lower than those of any other industrialized country in the world, including the United States.

In some provinces, gas may be more expensive than in some American states, but we must not forget that the retail price for gas depends to a considerable extent on provincial taxes. For instance, in Quebec the retail sales tax has increased by 210 per cent since 1978.

**Mr. Clark:** Federal taxes—

**Mr. Lalonde:** It is therefore not surprising that the price of gas in Montreal is higher than it is in Plattsburg or Burlington, because they have a provincial tax of 40 per cent added to the cost of gas at the refinery gate.