

*Petroleum Administration Act*

When the hon. member talks about the west he is talking about a very small minority of westerners. He is talking about the friends whom he sees at the Petroleum Club and the people who read the journals which talk about the great exodus out of Canada, the loss of jobs. He is not talking about the farmer in Alberta who, if members opposite had their way in the budget, would be paying \$2,400 more a year by 1984 under the previous Tory plan than under our plan. If you talk to farmers in Alberta, Saskatchewan or Manitoba, who are also westerners, and ask them if they want to pay inflated oil prices, if they want to charge higher prices for their commodities and goods so that the consumer ends up paying more, they will tell you that they are not so sure about that.

You can talk to the consumer in western Canada who lives in Edmonton, Calgary, Winnipeg or Regina, who would be paying \$500 more to put gas in his car or an extra \$500 or \$600 to heat his home. Those are westerners as well. They are not the kinds of westerners the hon. member was talking about, because he does not associate with them very much.

That is the kind of concern we had to bring to bear in establishing an energy policy. We had to take into account the fact that there were a lot of people in this country, whether they lived in the east or in the west, who could not afford the kinds of policies and programs which had been put forward in the previous budget.

We admit that it is not easy to get an agreement with the provinces. We are not saying there is a magic wand or an instant solution which will provide the great agreement which hon. members opposite want. I am sorry, Mr. Speaker, there is an easy way. We could surrender, we could appease, we could give in. But if we were to defend the interests of the entire country and of all those who live in it, then there would not be an easy way to do it.

I was a little surprised at the history lesson we received from the hon. member for Calgary Centre. He made it sound as if this were the great Armageddon of federalism, as if somehow what has been transacting in this country over the past few months is a one and only event. He made it appear as if the great, glorious provincial leaders were standing up to the federal government which, as he says, has been dealing in deceit and dishonesty. He is not a very good student of history, because the history of this country is one of constant conflict, tension, certainly a whole series of disputes between federal and provincial governments, disputes from one region of Canada to the next.

I was reading some debates on the unemployment insurance bill back in about 1939 or 1940, and I came across some comments from a provincial premier who said:

It is clear to me that with the western provinces hopelessly bankrupt, any national scheme of unemployment insurance will have to be borne by the two central provinces and if unemployment insurance is necessary it would probably be best to run our own show.

He went on to say that he was opposed to the federal government providing any assistance to the western provinces which were totally bankrupt at that time. That was Mitch Hepburn, the Premier of Ontario. This sounds very familiar

when we compare it to some of the statements we hear from some premiers today. Different regions, different provinces—same philosophy. They say, "We have ours, we will keep it, we will not share it". But fortunately, in 1939 and 1940 the federal government had the courage to bring in an insurance scheme to cover unemployment right across Canada, to make sure that there was fair sharing of benefits and to make sure that people in the central provinces paid more than they gained to make sure that the regions in the maritimes and in the west would get economic security.

I would suggest to hon. members opposite that they go back and read those debates on the Unemployment Insurance Act of 1940. What is interesting is that the very same party which is now claiming this great history of dishonesty by the federal government was saying the same things then. The arguments have not changed 40 years later. The same thing is true now, "Let us defend the provinces, let us not have the federal government impose its will, let us not share the wealth, let us not provide benefits". You would think that after 40 years they could update their act. The point is that this party throughout history has always recognized the fundamental fact of confederation, that there must be a sharing of benefits.

**Mr. McKinnon:** It was King who said "Let's not give them a nickel."

**Mr. Axworthy:** Do you know what we should do? We should take a look at the figures as they now appear. There has been a certain kind of mythology around that this new energy policy will bankrupt Alberta, that somehow the people of Alberta, who have worked hard and are good citizens, will be impoverished by this national energy policy. Yet when I look at the numbers and figure them out by the same calculations that hon. members opposite have used, I find that the per capita revenue by 1984 will be \$4,000 per person in the province of Alberta on resources alone. Compare that with my own province of Manitoba which will get \$22 per person from resource revenues. It seems to me that when you look at both the \$4,000 and the \$22, you have to conclude that there is a certain economic disparity at work. So there has to be some mechanism of sharing and evening out that disparity, some way of providing a balance between the two so that one province does not have to raise its income, corporate or sales taxes to extraordinary levels simply to try to achieve a level of services equal to that in a province which has all the wealth.

All we are trying to do is to say that the responsibility of the federal government in this day and age is to provide for some balancing, some sharing, so there are not those hills and valleys of economic wealth and economic disparity.

**Some hon. Members:** Hear, hear!

● (2050)

**Mr. Axworthy:** Also it is true to say that the other responsibility of a federal government is to ensure some degree of balance between public and private activity in the country. My party is committed to private enterprise. We support and give incentives to small and large businessmen to produce and