

day, I think he should offer his resignation to this House, Madam Speaker.

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, again I find it rather strange that when I answered the previous question by saying that the Canadian economy grew by 3 per cent in real terms in 1981, the retort of my hon. friend was to say that it did not grow as much in the first two quarters. My friend has to look at the whole year. For the whole of last year we had a real growth of 3 per cent, and the hon. member should at least be honest enough to recognize that fact, a fact which everyone has recognized.

• (1425)

As far as oil discoveries are concerned, I remind the hon. member that for the first time since 1970 there has been an establishment of oil reserves in the last two years of 1.3 billion barrels of oil. That is in addition to the reserves of oil in this country found by the discovery and the establishment of the commercial viability of Hibernia. For the first time since 1970 we have been able to add to the reserves of oil in Canada. I am confident that in the next few months and, as a matter of fact, in the next few weeks, my friend may have good news about additional reserves, and I hope he will stand up and congratulate us at that time.

SCHEDULED JULY INCREASE IN PRICE OF OIL

Hon. Edward Broadbent (Oshawa): Madam Speaker, I have a question for the Minister of Energy, Mines and Resources. Since the fall the government has done a complete about face on its energy program. Between the federal government in Ottawa and the government of Alberta an additional \$7 billion has now been given to the oil companies. When is the government going to do something for the Canadian consumer? Specifically, will the minister approach the energy ministers in the producing provinces with a view to negotiating the elimination of the 7 cents per gallon increase that is scheduled to come about on July 1?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the objectives of the energy program have been maintained. Not only have they been maintained, but they have been strengthened. We are determined to achieve self-sufficiency in this country. We are determined to enlarge Canadian participation in the industry, and we are determined to maintain fair prices for Canadian consumers. Under the program it has been established that Canadians will have the lowest energy prices of any industrialized country in the world. That is the record, and that record will be maintained for the Canadian people.

As far as the question raised by the hon. member is concerned, rather than going to the ministers of energy of the producing provinces I would rather go to the energy ministers of the consuming provinces. For instance, the province of

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Quebec has raised its taxes by 210 per cent in the last four years at the expense of the consumer.

Mr. Siddon: You have done it too.

Mr. Lalonde: It is in that sphere where some of the largest increases have taken place.

REQUEST THAT MINISTER MEET PROVINCIAL COUNTERPARTS

Hon. Edward Broadbent (Oshawa): Madam Speaker, the Minister of Energy knows full well it is the trend in energy prices that counts. In the United States the price is downward in terms of energy cost, and so is the rate of inflation. In Canada the price of energy has gone up, and so will inflation. The minister should understand that. Considering that the 7-cent per gallon increase on July 1 will cause an increase in the Canadian cost of living by a full percentage point, together with a loss of 25,000 jobs to the Canadian economy, why does the minister not tell the House of Commons today that he will approach the ministers of the producing provinces with a view to bringing a break in financial terms at long last to the Canadian consumer?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, my hon. friend refers to the experience in the United States. I remind him that even with the increases we have known, the blended price for a barrel of oil in this country which comes from the refinery is less than 80 per cent of the international price, and less than 80 per cent of the price in the United States.

If there are additional increases taking place at the pump, much of that is due to provincial retail sales taxes. Saskatchewan and Alberta have no retail sales tax on gasoline. Quebec's retail sales tax on gasoline is 40 per cent, and Ontario's retail sales tax on gasoline is 20 per cent. The percentage varies from province to province. Even with the increases forecast, not for July 1, because they will only come into effect in September, Canada's price for a barrel of oil will still be well below international prices and well below prices in the United States.

On the other hand, the federal government does not control provincial tax, and it is up to each provincial government to decide what is appropriate in that regard. This is where the difference may show up between certain states in the United States and as well in some provinces in Canada, for instance. But, as a whole, when it comes to the price of oil from the refinery, Canadians now get the lowest prices in the industrialized world, and they will continue to get the lowest prices in the industrialized world.

• (1430)

Mr. Broadbent: Madam Speaker, the minister knows full well that the economy is in a terrible tailspin and that the increases which are coming in July, when they go into effect in September, will cost us thousands of jobs and result in an increase in the cost of living. Also the minister knows that the Government of Canada and the government of Alberta have given \$7 billion more to multinational oil companies.