

Oral Questions

Motion agreed to, bill read the first time and ordered to be printed.

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[English]

NATIONAL HOUSING ACT**AMENDMENT RESPECTING MAXIMUM INTEREST RATE ON HOUSING LOANS**

Mr. Edward Broadbent (Oshawa-Whitby) moved for leave to introduce Bill C-244, to amend the National Housing Act (residential mortgages).

Motion agreed to, bill read the first time and ordered to be printed.

● (1410)

ORAL QUESTION PERIOD

[English]

ENERGY**OIL—GOVERNMENT MEASURES TO ASSIST PEOPLE OF ATLANTIC PROVINCES TO MEET HIGHER PRICES THIS WINTER—STUDY OF REGIONAL IMPACT**

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Minister of Energy, Mines and Resources. In view of the fact the Prime Minister, having been asked yesterday what the government was going to do to help lower income Canadians in the Atlantic provinces to deal with higher petroleum prices this winter, suggested that the only solution was to stop buying oil if the price became too high, I would like to ask the minister today whether the government has any more realistic proposal to put forward to provide some sort of remedy for the problems these people face this winter?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, as I recall, the Prime Minister referred previously in the House to a number of measures that have been taken under the Canada Assistance Plan and in relation to other programs which should put additional funds into the hands of those who need them most in that part of the country. In addition, the Prime Minister in his remarks a week ago today indicated that the question of disparity in prices and relief to those who need relief would be one of the questions that would be put before the federal-provincial conference.

Mr. Stanfield: Mr. Speaker, my impression was that the Prime Minister indicated it might be necessary to do more than is being done to help those on low incomes. In view of the fact that unemployment and inflation are already at severe levels in Quebec and the Atlantic provinces, can the minister indicate whether the government proposes to take specific measures with regard to this problem of very sharply escalating crude oil costs and petroleum product prices in the Atlantic provinces? What specific measures is the minister prepared to indicate that the government is prepared to put before the conference of first ministers?

[Mr. Broadbent.]

Mr. Macdonald (Rosedale): Mr. Speaker, I am not prepared to indicate that today.

Mr. Stanfield: Mr. Speaker, I wish to direct a supplementary question to the Acting Prime Minister or to the Minister of Energy, Mines and Resources. Since the House was told by the Prime Minister on November 20 that the government was studying the effect the energy situation would have on the economy, and the regional impact of these increases in particular, can the Acting Prime Minister, or the Prime Minister for that matter or, indeed, any minister indicate whether this study of the regional economic impact of higher petroleum prices had been completed before the two-Canada pricing policy was announced by the Prime Minister last week and, if so, when is the government going to indicate to the House what this study has reported and contains?

Mr. Macdonald (Rosedale): Mr. Speaker, both the Minister of Finance and the Minister of Industry, Trade and Commerce have indicated that there have been assessments under way in their departments with regard to the possible impact of increased international prices and, indeed, of increased international shortages on the economy. These assessments have been under way, and I gather are still under full consideration.

OIL—DIVISION OF PROCEEDS FROM EXPORT TAX

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the Minister of Energy, Mines and Resources to clarify an answer he gave yesterday as reported on page 8676 of *Hansard* since it seems to differ to some extent from previous answers he has given. Do I understand him correctly that the division of the proceeds of the export tax will be as follows: 50 per cent of the moneys collected will be paid to the provinces in lieu of the royalties they have foregone and the other 50 per cent will be used by the federal government to invest in the development of oil resources in the oil producing provinces?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, it was actually energy resources in the provinces that produce oil, and this would not necessarily be confined to oil alone. It would depend on the option of the province in particular.

Mr. Douglas: There is one point I would like to have clarified. Yesterday the minister said, "the federal government would then invest the balance of the tax in the producing provinces." Will all of the 50 per cent the federal government is going to collect be spent in the oil producing provinces or does this apply to all provinces using energy—electric power and so on?

Mr. Macdonald (Rosedale): No, sir. It is with regard to the oil producing provinces alone. In other words, a province which at the moment does not have production could not expect to receive any part of this sum by way of federal investment in energy resources.