

*Energy*

**Mr. Wilson:** —is something that is developing a greater degree of cynicism toward the whole electoral process in this country than we have seen in many years. Certainly before my time, Mr. Speaker, and possibly before yours as well.

The second point, implicit in the motion, is that there has been no relief for the disadvantaged people of this country as a result of the government's program of increasing energy prices. I pointed out that 72 per cent of the revenues raised as a result of these increases has gone to the federal government, yet they do not see it within their capabilities to provide anything approaching the energy tax credit or the special compensation we provided for the Atlantic provinces to compensate for the production of energy from oil in those parts of the country. That is the fundamental direction of the motion we are debating today. My friend, the hon. member for Vancouver-Kingsway, avoided that to a very large extent in his remarks but I want to focus on it now because there is a very powerful reason for it, particularly in the eastern provinces.

In St. Anthony, Newfoundland, on a comparable basis the cost of 5,000 kilowatt hours of energy is \$387.58. In Summerside, Prince Edward Island, it is \$296.23. That compares to Montreal, the minister's home town, at \$127.40. Toronto, my home town, is at \$145.35. Here in Ottawa, it costs \$128.93. That is the reason we felt it was fundamental to allow some form of subsidy to those living in the Atlantic provinces who are suffering from the high cost of energy.

Now, Mr. Speaker, I also want to point out the impact of the energy tax credit in the Conservative budget of December, 1979. This again proves that the minister's figures are trying to tell a narrow story without looking at the broader picture, because he has distorted the figures. Now, on Conservative party stationery, available for every member of the House to see, there is a press release indicating that the annual impact of energy taxes under a Liberal government, including gasoline and heating oil, was \$451. That is the increase to the average family. Under a Conservative government, because the impact on heating fuels was much less than under the Liberal proposals—

**Mr. Lalonde:** Don't you believe it.

**Mr. Wilson:** —the total amount is \$292. So it is \$451 for the Liberals, \$292 for the Conservatives. However, the value of the energy tax credit is \$220 for a family below the income level of \$23,000, or \$21,000 if I am not mistaken, and that credit would reduce the increased costs of energy to only \$72, as against the \$451 which applies regardless of income level.

**Mr. Lalonde:** You have got to be kidding.

**Mr. Wilson:** So the minister ignores these very real facts for the people who have to pay the bill month in and month out. As his colleague said the other day, prices are going to continue to rise but there is nothing for those people who are unable to afford these high increases.

The minister would have us put all the blame for this on the producing provinces. It is clear that he is again misleading the

public. The blame rests largely on his own shoulders and those of the other ministers in the federal government, and they do not have the courage to explain the whole background. This we have tried to draw out in other debates. We have tried to understand better the government side of the negotiations with the producing provinces over the past year, but we have been very unsuccessful in getting that understanding. The consumer wants to know. He is asking us as members of Parliament, why is he being hammered this way? Why do we not have an agreement; why do we have to pay these excessive costs?

The negotiations last summer were a sham. There was no attempt on the part of the federal government to reach an agreement. The minister said just a few minutes ago that he cannot promise an agreement, but I think that at this time last summer he could have come into the House and very honestly said to us that he can promise no agreement, because the federal government went into those negotiations making no attempt to come together with the province of Alberta and the other producing provinces. That is the reason we have a deadlock, the reason we have these major projects on hold, and—

**Mr. Lalonde:** Nonsense.

**Mr. Wilson:** The minister says "nonsense". Might I ask him why it was that the energy program, when it came in, was less attractive to the producing provinces than the last deal put to them in July of last year? There was no attempt whatsoever to reach any meeting point between the two positions, and that is why we have deadlock today.

I also would like to make reference to the fact that there were two types of taxes prior to the negotiations which the producing provinces told Canadians they would find objectionable. The first was an export tax on natural gas. The government brought it in; the Alberta Court of Appeal heard a challenge by that province and upheld it; it will be heard later this month by the Supreme Court of Canada. So much for the attempt at compromise. The second one was a production tax, which essentially is a wellhead tax. It clearly impinges on the jurisdiction of producing provinces. Finally, there was the inadequate pricing when compared to prices in practically any other country in the world.

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When we put all this together, is it any wonder that there will be some form of deadlock? If there is no attempt to negotiate and the terms of the final policy are unacceptable, there is bound to be a deadlock.

I am not at all happy with the response of the Alberta government in cutting back on supplies and putting major projects on hold. I would have preferred it done in another fashion, but I am hard pressed to suggest any alternative to develop any momentum in the negotiations which must take place if we are to reach an agreement.

It is the old story of trying to deal with a stubborn mule. He must be hit over the head with a sledgehammer to get his attention and make him do what one wants him to do. This is