

Oral Questions

further while the studies continue, but that the studies may well be completed in part rather than in total, and at that point decisions could be made. While the right hon. gentleman is constantly emphasizing whether as a result of such decisions certain lines can be closed, the more important thing is a decision that those lines are going to be saved and protected and can now be upgraded and transferred to the basic rail network.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: No doubt Mr. Buss, the farmers of Saskatchewan and myself are under a misapprehension because of the deception which the minister endeavoured to perpetrate on the voters of Saskatchewan, and unsuccessfully.

Mr. Lang: The right hon. gentleman may well be under a misapprehension. When occasionally the farmers are, it is often from listening to him.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: They didn't listen to the minister in the month of June.

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ENERGY

OIL—AMOUNT OF INCREASE IN RETAIL PRICE OF FUEL AS RESULT OF INCREASE IN PRICE OF CRUDE OIL

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Can the minister tell the House what reply he has had from the oil companies concerning how much they plan to boost retail prices on fuel products because of the \$1.50 increase in the price per barrel of crude oil?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I have not yet had a full report on the replies. I am afraid I cannot give that today.

Mr. Symes: Has the federal government done its own price analysis as to what the increase in retail prices should be, and will it require the oil companies to conform to these price guidelines?

Mr. Macdonald (Rosedale): We have never attempted to analyse retail prices. We have confined our analysis to the wholesale level.

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THE CANADIAN ECONOMY

UNEMPLOYMENT—POSSIBILITY OF CONTINUED INCREASE—GOVERNMENT POSITION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. As unemployment has now been well in excess of 7 per cent for four straight months, and in view of the fact that following each of the previous four budgets both the Minister of Finance and the Prime Minister have assured

[Mr. Lang.]

the House that the measures in those budgets could be expected to reduce unemployment when in fact unemployment continued to rise after each of those budgets, would the Prime Minister advise the House what reason there could be to believe that unemployment will not continue to rise steadily, as most economists in Canada predict that it will?

Mr. Speaker: Order, please. The hon. member for Crowfoot.

Mr. Hees: No answer?

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FINANCE

GASOLINE TAX REBATE—SUGGESTION WHOLESALERS NOT CHARGE TRUCKING COMPANIES THE TAX

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I have a question for the Minister of Finance. It appears that the 10 cent tax on fuel is to be collected by the wholesaler. Would the minister consider putting before the cabinet a proposition that the wholesaler be allowed to sell directly to trucking firms no matter what they are hauling, without charging them the 10 cent tax because of the amount of money involved? Huge trucking firms and, for that matter, small trucking firms haul milk or farm produce daily. The wholesalers know what these truckers are hauling, and it is wrong for the wholesaler to charge them and then for this government to give it back. It seems to me like a very inefficient method, and surely—

Mr. Speaker: Order, please.

Mr. Horner:—through his good offices a better method could be devised.

Hon. John N. Turner (Minister of Finance): Although we can deal with this in debate, it might well be that the fairer way would be to make provision for refunds on a monthly or a more frequent basis for large exempt users.

Mr. Horner: Is the minister aware that the provincial governments in nearly every province allow the wholesaler to make the deductions whether or not the buyer is going to use that gas for purposes involved in production or whether he is going to use it as a luxury?

Mr. Turner (Ottawa-Carleton): I am also aware of the use of marked or coloured gas which has the same effect, and perhaps we ought to deal with that when we get into committee.

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ENVIRONMENTAL AFFAIRS

SPRUCE BUDWORM—INQUIRY AS TO MEASURES TO CONTROL

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, I should like to direct a question to the Minister of the Environment, and I shall do so without making a political speech.

Some hon. Members: Hear, hear!