

*Western Accord*

**Mr. Speaker:** It does not even take unanimous consent. It is within the Speaker's judgment. While I would normally end the question period in about two or three minutes, given the general sense of agreement in the House about other matters, and given the number of people who are rising, without setting a precedent, I will try to hear as many people as I can. I will probably go as long as—

**Miss Carney:** I have other commitments.

**Mr. Speaker:** The Minister is indicating that she cannot stay any longer.

**Mr. Boudria:** She is afraid to answer the questions.

**Mr. Speaker:** In fairness to everyone concerned, normally we would have taken questions as long as the sum of the statement. It will end the question period at four o'clock. If people are quick, we can get two or three more questions in. The Hon. Member for York South-Weston (Mr. Nunziata).

**Mr. Nunziata:** Mr. Speaker, it appears to me that the duchess of energy will soon be reigning over an impoverished kingdom. It appears to me that she is selling out the consumers of Canada and the federal Treasury.

My question is very simple and straightforward. As I understand it, over a two-year period the federal Treasury could lose up to \$1 billion as a result of this negotiated Agreement which was just announced. How does the Minister of Energy, Mines and Resources (Miss Carney) or the Minister of Finance (Mr. Wilson) propose to replenish the lost money? Does the Minister intend to increase taxes? If so, can she advise the House in very simple terms what that will mean to a consumer in Ontario?

**Miss Carney:** Mr. Speaker, I should explain that I have a commitment at four o'clock based on the normal rules of the House. In response to the Hon. Member, I suggest that if I am a duchess, he is an emperor without clothes. If I have a poverty-stricken kingdom, you can be assured that I inherited it from that Government when it was in power.

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

**Miss Carney:** I will stay as long as it takes to explain to Hon. Members that when you go to market-regulated prices and deregulation, you create an environment for prices to go down, particularly in this kind of market. If market prices go up, prices will go up too.

With regard to natural gas, we are removing the Canadian ownership charge which that Government imposed on Canadian consumers. When you remove a tax, it is usual that price decreases occur. There is no reason to believe that gasoline prices will go up when we move to deregulation.

**Mr. Deans:** Mr. Speaker, I have two brief questions. The Minister of Finance (Mr. Wilson) has indicated that he is battling hard against the deficit. He wants to bring it down. How can forgoing the raising of a number of billions of dollars of tax revenue from the energy sector assist the Minister of

Finance in reducing the deficit? Is it not reasonable to conclude that if we forgo the collection of a significant amount of tax dollars that are now being raised, we will have to raise taxes somewhere else in order to bring down the deficit?

What guarantees are there in the Agreement that will assure Canadian users of natural gas that they will not be asked to pay more for the product than is being asked of those who purchase the same Canadian product in the United States?

**Miss Carney:** Mr. Speaker, I will answer the first question with regard to the impact on the deficit. I have explained that the whole thrust of the Western Accord was to remove a discriminatory tax on the industry. We have faith that it will create jobs because that is the historic performance of the industry. When you create jobs, you do not have to pay unemployment insurance, you collect increased personal income tax, and you have economic activity. If you doubt that logic, look what happened to the western provinces after the taxes were levied and after the NEP was imposed. British Columbia and Alberta have the highest unemployment rates in Canada next to Newfoundland, which is a cost to the Treasury.

● (1600)

With respect to the question about natural gas prices, this Western Accord does not deal with export prices of natural gas. I can only assure the Member, as I have in the past, that Canadians will always pay less for their natural gas than their American neighbours.

**Mr. Deans:** That is not happening now.

**Mr. McDermid:** Yes, it is.

**Miss Carney:** It is not contained in the Western Accord, and I would suggest that if the Hon. Member has questions beyond the Western Accord, I will be here for Question Period tomorrow and I will be prepared to take more questions.

**Mr. Speaker:** That would appear to be the end of that.

**Mr. Hawkes:** Mr. Speaker, I rise on a point of order. I appreciate your sensitivity in the way that the question period has been conducted but I would like to point out to the House, for instance, that the Official Opposition did not have one Member in the House who represents one of the three signing provinces. That is a difficulty which is created by the rhythm of the situation when that region of the country is so dominated by government Members.

**Mr. Speaker:** Order. I point out to the Member that the Chair indicated it was prepared to let the question period continue.