

*Oral Questions*

**Some hon. Members:** Oh, oh!

**Mr. Broadbent:** In all humility, as the Prime Minister would say, I would like to suggest that he has not answered the question. Would he, in his final answer, tell the House of Commons and the people of Canada what was the criterion used in justifying the \$1 million a day increase which was imposed on the people of Canada on Friday, in light of what I thought was his straightforward commitment during the campaign that the pricing policy would be based on replacement cost, which is the cost of production and a reasonable profit? That must have been the criterion which was used in arriving at the figure on Friday?

I should like to ask him, in that context, why he does not use the *force majeure* provision which the government can use under existing authority to insist that the original commitments made by the oil companies to produce oil at their submitted prices be adhered to and that the government not provide windfall profits which it is moving toward.

**Mr. Trudeau:** Madam Speaker, I am really sorry that I have not been able to make the Leader of the NDP understand what I have been saying. I will make an effort, and then accept that his judgment is justified that I have been unsuccessful. We have not yet brought in, legislated or announced the new policy for which we fought during the election: it has not been done yet.

**An hon. Member:** You do not know what it is.

**Mr. Trudeau:** We are trying to do it—

**An hon. Member:** Piece by piece.

**Mr. Trudeau:** —not by applying the *force majeure* clause, as the NDP suggests, but with the agreement of the provinces of Alberta and Saskatchewan. In the meantime, we would prefer not to use *force majeure* or unilateral clauses to impose our will on them.

**An hon. Member:** What about the oil companies?

**Mr. Trudeau:** We are trying to get agreement on the new policy. Until that new policy is agreed upon, I regret that we are not carrying out our election promise. But I hope that within a short period of time we will be carrying it out, and I am saying that there may be some disturbance in the country when we do it. I hope that at that point we will have at least the courageous support of the NDP.

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

INCREASE IN PRICE OF ENERGY PRODUCTS—ACTION TO  
CUSHION IMPACT ON CONSUMERS

**Hon. Bill Jarvis (Perth):** Madam Speaker, my question is also for the Prime Minister. Perhaps he could help me to educate the Leader of the NDP, who believes that last Friday's increase only affects gasoline, whereas it affects all petroleum

products, including home heating oil and electricity generation.

As the Prime Minister knows, the government's price increase of last Friday will have a direct impact upon those Canadians who can least afford such an impact, namely, the poor, the aged and, in a regional sense, Quebec and Atlantic Canada which rely so overwhelmingly on oil for both home heating and the generation of electricity. Setting aside, temporarily, the questionable legality of the increase of last Friday, will the Prime Minister acknowledge that the lowest 20 per cent of Canadian income earners are, in fact, the most vulnerable to home heating oil increases? Consequently what measures does his government propose to cushion the impact upon these defenceless Canadians?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, that argument is a little more difficult to understand, coming from the Conservative party and with the vocal support of the hon. member for Kingston and the Islands, because twice when the Tories formed the government they increased that levy, once on August 30 and once on November 1—

**An hon. Member:** By 75 cents.

**Mr. Trudeau:** Yes, by 75 cents. That is exactly the point. Now they are objecting to an increase which they perpetrated twice without thinking of the poor, the lame and the halt, and so on. I suggest that they then understood the reason for this, and they understand it now. They are just playing games.

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

**Mr. Jarvis:** If the Prime Minister wants to talk about games, will he admit that he has embarked upon the strategy of a series of price increases, be it excise tax, refinery tax, special levies and heaven only knows what else, particularly when Parliament is in recess, and will he give us his firm undertaking that the policy will not be implemented, and that the policy will result in higher energy prices than was ever proposed in the Crosbie budget; and he knows it full well?

Will he give us an undertaking that those measures will not be implemented to the detriment of the poor, the senior citizens and those in regions of the country which rely so heavily on oil, without corresponding measures of compensation or tax credits which will minimize the growing disparity between the groups I have mentioned and others in our society?

**Mr. Trudeau:** Madam Speaker, we had already anticipated it, in conformity with our election promise, when we had this House adopt the \$35 a month increase in the guaranteed income supplement. This was a good beginning.

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