

Taxation

The hon. member suggests that paperwork and levels of tax collection could be eliminated through a single tax system, and then the money collected would be divided among the federal and provincial governments concerned under an agreement, according to standards and volumes to be determined. That is a suggestion. The agreement will expire in a few years. When the next agreement comes up, the hon. member's suggestion could certainly be considered.

[*English*]

Mr. Benjamin: You don't have to wait that long.

Mr. Peterson: Mr. Chairman, in the midst of this debate about our National Energy Program and the PGRT, which is an integral part of the program, I think it is very useful for us as parliamentarians on all sides of the House to recall where we have been in the past, what we have come through and where we are today. The PGRT is a very integral part of a very complicated but critical and important program for the future of Canadians.

In this exercise I would like to take the House right back to the time of the last election, at which time a number of promises were made by the then official opposition. After I have gone through those promises, hon. members will find that they are all incorporated in the National Energy Program as well as in the agreement reached with Alberta, British Columbia and Saskatchewan, the producing provinces. At the time of the last election campaign we promised there would be no 18-cent excise tax increase. We also said the 1980 increase in the wellhead price would be under \$4 a barrel. Third, with respect to price we said that over a four-year period the cost to consumers would be less than the cost under the Crosbie budget. We also said we would accomplish these three objectives through a mechanism known as a made-in-Canada price, a blended price.

Let us look at the record. It is obvious we did not introduce the 18-cent excise tax increase. What we have is a three cents a gallon tax which goes into the Canadianization fund, which is designed to promote one of the other major legs of our program.

With respect to the promise for 1980 pricing, we felt—and we agreed—that the price should not go up as much as the Crosbie budget had indicated, \$4 a barrel, and the actual price increase which we negotiated for 1980 was \$3.

Let us look at the four-year period and the predictions we made respecting cost to consumers, because it is consumers I am concerned about. I am concerned about the consumers who live in Willowdale. Consumers are the ones who are affected most directly by the entire impact of our National Energy Program. The National Energy Program is designed to provide assistance and to help and benefit our consumers. We have to admit that our producers are an integral part of this. The producers and the provinces play a key role in this, but the thrust of the program is to assist and be of maximum benefit possible, recognizing the exigencies consumers have.

Let me repeat again that the promise was that over a four-year period the cost to consumers would be less than it would have been under the Crosbie budget. The Crosbie budget predicted that by taking consumers to 85 per cent of world price, by 1984 the price would be up to \$53.70 per barrel. In reality, our program as worked out in conjunction with Alberta last year was 22 per cent lower than that at \$41.75 a barrel.

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This has very important implications for the consumer. For example, the cost of heating oil would be 12 cents less per gallon, for gasoline 37 cents less per gallon, and for natural gas used to heat homes it would be \$3.11 per thousand cubic feet less. Over a four-year period, comparing the Crosbie budget with the agreement we arrived at with Alberta—I think these are the important figures because they affect consumers—it will mean a saving of \$450 for the average oil-heated home, \$1,290 for natural gas, or an average household saving over that four years of \$890.

Mr. Siddon: Tell the truth. What is the world price?

Mr. Peterson: How have we achieved this result, Mr. Chairman?

Mr. Siddon: By chicanery.

Mr. Peterson: It is very simple when you break it down. The Crosbie budget promised 85 per cent of world price by 1984. Our price, which was lower, was not a floor price but a ceiling beyond which prices would not go. If the orderly increases we provided for during that period of time were met, we would have achieved that ceiling by approximately 1986. What has happened—and I welcome it as a boon to the consumer—is that the world price has fallen. It has not risen as high as we or the Crosbie budget anticipated, the budget on which the opposition members based their energy program and, incidentally, all their criticism of our program. The world price has just been reconsolidated by OPEC at \$34 a barrel. I welcome that news, although it has caused some strain because the predicted increases have not come about. But we should be applauding that, and we are.

There is another important aspect which cannot be ignored when dealing with the National Energy Program. I just talked about price. How was that price divided among the three major players involved in producing and distributing energy to consumers? Before the NEP was brought in, the share was roughly 11 per cent for the Government of Canada, 42 per cent for the government of Alberta, and 47 per cent for the industry. Pursuant to the agreement between the federal government and the government of Alberta on September 1, 1981, the federal government's share has increased to 25 per cent, Alberta's share has declined to approximately 30 per cent, and the industry's share has declined to 45 per cent.

Mr. Siddon: What do you do for your share?

Mr. Peterson: The price agreement and revenue sharing are just two portions of the NEP, Mr. Chairman. What I am