

Energy

In my own riding the double whammy of high interest rates and high energy costs is forcing small businesses into bankruptcy. These people are the backbone of our economy—diligent and hardworking. They do not deserve the kind of treatment they are being accorded by the government. Let me refer to one firm which has half its business with the federal government in contracts. It has a number of five-year contracts for trucking mail throughout Ontario and Quebec. These contracts are signed on the basis of a per mile cost of haulage. The basic rate is revised only at two-year intervals. There has not been a revision for over a year, a year which has seen the price of gasoline soar. In July of last year the company's monthly bill for gasoline came to \$24,700. But in May of this year, driving the same number of miles at the same basic rate of payment, its monthly bill for gasoline came to \$73,000, and the June increase of 9 cents per gallon has not yet been calculated. That firm is going into debt to the tune of almost \$50,000 per month on gasoline alone. This is because of the government's inept way of handling oil price increases. The company's financial difficulties are directly attributable to the government.

I should like to refer to another case, for example a person who owns a small business such as a hardware store. He has a family and owns a home. Such individuals can be found all across Canada. In the past year he has seen his grocery bill rise over 15 per cent. His mortgage rate five years ago was 9 per cent and now he must renew it at 18 per cent. On a \$30,000 mortgage, this is almost \$200 more per month. On top of those items, he has seen his gasoline charges rise by \$158 and his home heating costs by \$178. If he has a loan on his business, as do many small businessmen, he is paying over 20 per cent interest. In order to pay off the loan, he might have to let his staff go and work the store himself. He tries to conserve energy, but still the bills come in and every month they seem to get larger. He is at the end of his tether; he cannot make ends meet. He turns on the news at night and what does he hear the Prime Minister and the Minister of Finance telling him? They are telling him, as the Prime Minister said the other day:

—we say that Canadians are 50 per cent better off, on average, in 1980 than they were in 1970.

That is what he turns on the television to hear. Perhaps we can find that somewhere on paper, although I rather doubt it; but in the real world it is just not so. People are having a hard time, but no one on the other side of the House wants to admit it. They want to hide behind statistics and sit tight. My constituents are not statistics; they are angry, as I am angry and the whole of Canada is becoming angry. We want something done now.

● (1540)

The Canadian people are not stupid. They know what is going on, even if the Minister of Finance and the Minister of Energy, Mines and Resources do not want to tell them. They can see that the oil and gas increases with which they are being hit are due in large measure to the government's bungling. They know that if the National Energy Program and the

Minister of Energy, Mines and Resources had been a little more sensitive to Canadian reality, we could have had an agreement with the producing provinces long before this. But no, the minister was content to drift along in an oil price vacuum, which makes us ever more dependent on offshore oil—more dependent now than we were a year and a half ago. We are sending millions of additional dollars out of Canada to pay for OPEC and Mexican oil, money which should be spent at home on development and exploration of Canadian oil and natural gas.

The minister's battle with Alberta has resulted in investors refusing to place their capital in this country. Indeed, the capital which we have is leaving. We have taken a giant step backward in our drive toward self-sufficiency, and the consumers are having to pay for it. The consumer is having to pay directly at the gas pump and through his home heating fuel bills for the failure of government policies. As well, he is paying through higher costs, higher interest rates and a higher cost of living because of the depressed value of and lack of confidence in the Canadian dollar—a situation which stems directly from the lack of an energy agreement.

Some 18 months ago the Conservative government spelled out the increases which would be necessary to bring us to self-sufficiency. In doing so we were able to reach an agreement in principle with the producing provinces. As well, we had devised a program which would protect consumers hardest hit by the energy increases and the rise in prices. By contrast, the Liberal government has levied unscheduled and erratic increases which now amount to 55 cents a gallon for gasoline and over 40 cents a gallon for heating oil. There is no energy agreement with the producing provinces and there are no programs to shield the consumer.

In considering the motion before us today, will the government not abandon its policy of taking from the taxpayer more revenue than it needs to balance its compensation fund, while at the same time refusing to help those who are hardest hit? Just let the government introduce an energy tax credit to help fixed and lower income earners in this country; then they will see how quickly that measure would receive parliamentary approval.

Some hon. Members: Hear, hear!

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Mr. Speaker, I welcome this opportunity to debate once again the question of energy. It seems to be almost a weekly event these days, one we on this side of the House certainly do not shy away from, even if it is the opposition that decides to spend one of its opposition days on this subject.

I have listened with great interest to the points raised by the hon. member for Kingston and the Islands (Miss MacDonald). I would like to make a number of comments on the points raised by her. She mentioned that last week we introduced a ways and means motion to, in part, collect the funds required to pay for the cutbacks imposed by the government of Alberta and, in part, to ensure that the cost of imports would not be larger on the taxpayers of Canada than had been planned in