

Oral Questions

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the hon. member referred to *The Globe and Mail*. He knows that paper does not refer to me very positively, very often.

Mr. Epp: Never.

Mr. Lalonde: But while he is dealing with *The Globe and Mail*, I might suggest that he read the article this morning on the question of oil rigs and gas rigs. It indicated that the arguments of the drilling contractors' association lack complete credibility. They lack complete credibility when they claim that the NEP has been the cause of reduction in drilling in some areas. My friend might find an advantage in reading this particular article.

As far as the specific article to which he referred is concerned, I have not seen that article. I will read it and let my friend know what are my views on it, but I am not aware of statements by my officials to that effect.

Mr. Hawkes: Madam Speaker, the bafflegab gets longer and longer. I asked the minister whether he believed that kind of advice; at least he could answer that. The minister brought up the issue of drilling contractors in the province of Alberta. Those of us who live there and drive north in the wintertime see rigs going south. That is believable, that is what is happening, and the supply situation is suffering.

Does the minister have his officials working on a new supply forecast based on the fact that we will have fewer rigs drilling in this country in the years ahead? The drain of rigs began prior to the NEP because they knew it was coming. The minister should back off. We need oil in this country; we must have rigs.

Some hon. Members: Hear, hear!

Mr. Lalonde: Madam Speaker, if it helps the hon. member, I might remind him that on February 10 of this year, which was approximately eight days ago, there were 577 rigs active in Canada compared to 531 on February 12, 1980. So, there are more rigs active at the present time in Canada, including western Canada, than there were last year; not fewer.

An hon. Member: Why don't you go out there and see?

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THE ECONOMY**GOVERNMENT ACTION TO COMBAT INFLATION—REQUEST FOR CUT IN TAXES**

Mr. Edward Broadbent (Oshawa): Madam Speaker, my question is directed to the Prime Minister. Last year in the election campaign he promised to "assist those who need it most". He specifically promised to control inflation. Today's Gallup poll indicates that Canadians are not exactly impressed with his efforts, when 50 per cent said that inflation is the number one problem, for the obvious reason that the costs of essentials are up more than 12 per cent, well in excess of wage

increases. Is the government now prepared to act on his election promise to do something about inflation? Specifically, will he bring in a tax cut for middle and low-income Canadians, many of whom cannot afford to wear the roses that all the Liberals are sporting in their suits today?

● (1425)

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker—

Some hon. Members: Hear, hear!

Some hon. Members: Baa, Baa!

Mr. Trudeau: Madam Speaker, I think the reaction of the members on this side to the question of the Leader of the New Democratic Party shows that they are not prepared, as he seems to be, to condemn the flower growers and gardeners of Canada. They are workers, too. The people who sell flowers have an honest living to make, just as any other worker has.

Some hon. Members: Hear, hear!

Mr. Crosbie: Who paid for them?

Mr. Trudeau: Madam Speaker, in so far as who paid for them, hon. members opposite can look at a question asked by one of their own members on this general subject. If they are interested in what their own members are asking about, then they can read the answer. They obviously do not take their own people very seriously.

In the Speech from the Throne we made a clear commitment that we would first help those who needed help most. That was why, within weeks of the meeting of this House after the last election, we introduced a measure to provide the old age pensioners with a very sizeable increase in the guaranteed income supplement.

Some hon. Members: Hear, hear!

Mr. Broadbent: Madam Speaker, members on this side should be excused for thinking that the Liberal cheers when the Prime Minister stood up were for the rate of inflation. It indicates their concern.

Notwithstanding the assistance which was provided to pensioners, which all members in this House support, no one else has received anything. Since the Prime Minister acknowledged in the campaign that interest rates had some bearing on the cost of living, and since the government has refused to interfere with the Governor of the Bank of Canada and his high interest rate policy, there are two areas of specific concern upon which the government could move. One is mortgage rates and the other is small business loans. Since small businessmen have to pay in excess of 20 per cent in order to expand, and since mortgages are up to 16 per cent to 18 per cent, will the government at least take specific action and make the banks put up money for small businesses at lower rates through mandatory legislation, and will it substantially lower mortgage rates?