

Oral Questions

generally, thanks to the sharp decline in interest rates which have gone down by more than 8 per cent during that time, 800 points all told. In other words, each Canadian in business, be he a farmer or a mortgage, has benefited from a significant decrease in interest rates in recent months, thanks to the policy of the Canadian Government and that of other industrialized countries, including the United States.

Madam Speaker, those measures have been a factor in the rising number of housing starts in Canada, they have given renewed confidence to businessmen and consumers alike, and they have contributed to the steep decrease in the inflation rate in Canada, as evidenced by the fact that the cost of living went up by only 6 per cent since last June as compared with about 12 per cent in previous months. Such are the concrete measures which we have taken and which have given tangible results for consumers and all Canadians. In any case, the rhetoric of the Hon. Member can hardly be a substitute for those measures we have taken since then.

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● (1425)

[*English*]

ENERGY**REQUEST THAT PRICES BE ROLLED BACK**

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, my question is for the Minister of Energy. I know he was talking about oil prices over lunch, and I would just like to put the following proposition to him. The Canada-Alberta Energy Agreement provides that the price of Canadian oil will not exceed 75 per cent of the world price. In a press release on September 18, 1981, the Ministers of Energy for Canada and Alberta agreed to roll back the price of oil should it exceed 75 per cent of the world price. In the National Energy Program Update, consumers were promised that they would receive the benefit of any rollback in energy prices. We are not asking the Minister to change the agreement unilaterally, we simply want him to live up to it.

Would the Minister agree to give Canadians the rollback in energy prices they are entitled to, \$3 a barrel, which will provide the stimulus that the Canadian economy needs now?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, the view held by the Hon. Member about the agreement is the same as mine, but Premier Lougheed of Alberta does not think the same. He says the agreement he signed two years ago was at a time when the pressure on prices was upward and he never intended, in signing the agreement, to have a decline in prices. We are having an honest disagreement with Mr. Lougheed and we have decided to debate it. The Hon. Member says we should not unilaterally break the agreement. I agree with him, and

that is why I will be discussing this problem with Mr. Zaozirny on Friday.

REQUEST THAT TERMS OF OIL PRICING AGREEMENT BE OBSERVED

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, the Minister's response seems to indicate that there are going to be meetings on this matter for a period of time. But if the Government cuts the price of oil by \$3 a barrel, it would immediately stimulate the Canadian economy by a non-inflationary \$1.5 billion. B.C. would benefit by \$190 million; the Prairies, \$340 million; Ontario and Quebec, \$930 million; and Atlantic Canada, \$200 million.

Would the Minister give this House some assurance that he knows what is going on, and that he will live up to a commitment which says that, in the event of a price decrease, Canadians get a rollback?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): I think the Hon. Member can make that statement, but I have to live by his words when he says not to break the agreement unilaterally. There is a disagreement between Alberta and this Government and the Hon. Member would not want me to act unilaterally. He will want me to discuss this matter with the Government of Alberta before reaching a definitive conclusion. That is exactly what I am doing, and I am very pleased to see that the Hon. Member does not want me to break the agreement unilaterally.

REQUEST FOR NEW NATIONAL ENERGY POLICY

Mr. Ray Skelly (Comox-Powell River): Madam Speaker, we are not asking the Minister to break the agreement unilaterally. The agreement is very clear. The press release is very clear. The National Energy Update is very clear. Canadians are entitled to a rollback, and the Minister cannot deny that. But even beyond that is the chaos in our national energy policy. Would the Minister undertake in this House that he will try to give us a third attempt at a national energy policy, something that we can all live by in this country?

[*Translation*]

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): That is exactly what I want to do, Madam Speaker, and that is why I think we have to discuss with the provinces if we want to find a rational solution to that problem. In my opinion, the Province of Alberta is not the only one which is arguing that we should not roll back the price of old oil in Canada despite the lower international price, there is also the Premier of Saskatchewan who shares similar views. Strangely enough, even though there is a new Government in Saskatchewan, the position of that province remains the same. However, the Members of the New Democratic Party have changed their position now that they are no longer in Government in Saskatchewan.