

Oral Questions

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I might point out that the hon. member's initial statement is quite mistaken. For example, in the B.C. Telephone case the Canadian Transport Commission has rolled back the price that would have been proposed. As to the hon. member's suggestion that there should be a larger and more elaborate bureaucracy created in this area, I will consider that in the light of the earlier statements made by the hon. gentleman that one of the difficulties with the program was that it might create a bureaucracy.

* * *

● (1420)

THE CANADIAN ECONOMY**REASON FOR PERMITTING PRICE OF OIL TO INCREASE**

Mr. Edward Broadbent (Oshawa-Whitby): Increasingly the minister is refusing to answer questions. Perhaps he will tell us in his second answer why there have been no rollbacks in prices, other than the one in which the board was indirectly involved. I should like to ask him, since the cost of fuel and utilities increased by 16.7 per cent over the past year and by 2.6 per cent over the past month, whether the government will now reconsider its extraordinary decision to permit the oil companies to increase their prices of oil once again, eventually going up to world price levels.

Hon. Donald S. Macdonald (Minister of Finance): No such decision has been taken.

Mr. Broadbent: Mr. Speaker, I should like to pursue that point. The minister has said that there has been no decision to permit the oil companies to increase prices of oil. If that is what he said now, I should like him to check the Prime Minister's earlier statements, and I am quite sure statements by the minister himself, in which it was indicated the government is committed to permitting oil companies to increase prices up to world price levels.

Mr. Macdonald (Rosedale): If the hon. member would like to go back and check the record, he would see we indicated at the time we were prepared to move over time toward world prices, but no specific decision has been taken at this time to increase the prices of oil and natural gas in Canada. That is a question which, as in previous years, will have to be discussed at the federal-provincial meetings which will be taking place in several weeks at which, I am sure, the western provinces such as Saskatchewan and Alberta will be pressing for higher prices for hydrocarbons. That, of course, is a question to be discussed and decided then. No such decision has yet been taken.

* * *

[Translation]

TRANSPORT**INQUIRY IF INCREASE IN PASSENGER FARE SUBMITTED TO BOARD**

Mr. René Matte (Champlain): Mr. Speaker, I would like to direct a question to the Minister of Transport.

[Mr. Broadbent.]

In view of the decision taken by the railway companies to increase their ticket prices by 15 per cent, and in view of the fact that this increase affect particularly the oftentimes very poor people almost exclusively served by this means of transportation—and this is the case for the whole northern part of my riding—would the minister tell the House whether this increase which seems to go beyond the guidelines laid down by the Anti-Inflation Board has previously been submitted to the Board?

[English]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, as I think I indicated in answer to a question from the hon. member for Laprairie, this kind of increase might be looked at by the Canadian Transport Commission but would not ordinarily be looked at by them in advance of the announcement or indication by the railways. The commission would follow guidelines which have been given to it for examining increases in this area.

[Translation]

Mr. Matte: I would like to ask a supplementary question, Mr. Speaker.

Would the minister tell the House how come the Canadian National and Canadian Pacific Railways have in fact increased their ticket prices by 15 per cent since February 1, without any prior consultation and without any decision made known by the Transport Commission in this respect?

[English]

Mr. Lang: Mr. Speaker, I can assure hon. members that the CTC is aware of increases which occur. There will be a general examination by the CTC of railway operations to determine whether they have offended the 95 per cent margin rule, and in addition they will be looking at specific cases to determine whether other and more specific rules apply to them.

* * *

SUPPLY AND SERVICES**CONTRACT WITH LOCKHEED FOR LONG RANGE PATROL AIRCRAFT—REQUEST FOR CLARIFICATION OF TECHNICAL PROBLEMS—DATE OF COMMENCEMENT OF WORK**

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Supply and Services. On February 2 the minister told the House that there were technical problems in the way of signing the contract with Lockheed for LRPA. Would he tell the House what is meant by the phrase "technical problems" and, in the light of the difficulties now being experienced by Lockheed, have these technical problems increased or decreased in the last few days? Has the contract been signed?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): These technical problems relate strictly to long-term financing.

Mr. McKinnon: In view of the fact that the contract has not apparently been signed, when will there be movement of tools and plant to Canadair to begin work on the LRPA? Does the Japanese decision to cancel their pur-