

Senator de Cotret: Nonetheless, if one looks at the budget closely, one will see that it has attempted, to the greatest extent possible, to spread the burden of the necessary adjustments as equitably as possible. Certainly, the benefits that will accrue downstream will benefit equitably Canadians from coast to coast in all circumstances and all walks of life.

Senator Steuart: If you last that long.

Senator Flynn: It is not a question of lasting.

FINANCIAL ADMINISTRATION ACT

COMPTROLLER GENERAL OF CANADA

Senator Everett: Honourable senators, I have a question for the Minister of Justice. In the Third Session of the last Parliament we passed Bill C-10, to amend the Financial Administration Act. The purpose of that bill was to create the position of Comptroller General of Canada. The minister, speaking during debate on the measure, was critical of the bill, stating that he wanted the Comptroller General to report to Parliament, and expressing his desire that the exact duties of the Comptroller General be set out in the act. Indeed, he proposed an amendment to the bill setting out the precise duties of the Comptroller General.

Now that he is Minister of Justice and a member of the inner councils of government, I am wondering whether he would be favourable to such an amendment as he proposed at that time.

Senator Flynn: Since becoming a member of the administration, I have considered the arguments put forward by the then government of the day, possibly including those put forward by Senator Everett, as to why we should not be too specific about the role of the Comptroller General. I am now monitoring the process to determine whether or not they were right. When I come to a conclusion on the matter, I shall let you know what I propose.

Senator Perrault: Another reversal!

Senator Everett: A supplementary. Can we be assured that when the minister is back in opposition, he will take the same view?

Senator Flynn: Possibly. I might add that I sometimes envy those in opposition. I always felt very much at ease on your side of the house, especially with you on this side. It was much easier for us, I think, than it is for you.

Senator Steuart: Call an election and you will be back in opposition.

THE BUDGET

DOMESTIC PRICE OF CRUDE OIL—GOVERNMENT POLICY

Senator Austin: Honourable senators, I should like to return to the question of the budget, and specifically to matters relating to energy policy.

Senator Buckwold has already posed some questions respecting the impact of the increase in the excise tax on transportation fuels, but he did not mention that the very farmers and fishermen he spoke of, and others in Canada, will have to deal with an increase of \$9.50 in the price of a barrel of crude oil by July 1, 1981, assuming the intentions of the Minister of Finance are put into effect.

My question, which I shall direct to Senator de Cotret, is: Is it the intention to raise the domestic wellhead price of oil by \$4 a barrel effective July 1, 1980? The budget was not clear as to when that first increase would take place.

Senator de Cotret: The next increase is the scheduled increase on January 1, 1980, an increase of \$1 per barrel, to be followed by an increase of \$2 per barrel on July 1, 1980, to be followed by an increase of \$1 per barrel on October 1, 1980, to be followed by an increase of \$2.25 per barrel on January 1, 1981, a further \$2.25 per barrel on July 1, 1981, and each January 1 and July 1 thereafter until 1983, at which point there will be an examination of the relationship between the domestic price of crude and the lower of the average international price and the price at Chicago.

If at that point the domestic price is lower than 75 per cent of the lower of the Chicago price and the average international price, the difference will be made up by the increase on January 1, 1983.

Then on January 1, 1984, a calculation will be made to determine the extent to which we are lower, if at all, than 85 per cent of the lower of either the average international price or the Chicago price and, if we are lower, an adjustment will be made to bring the price up to 85 per cent of the world price for oil. At no time throughout that period will the domestic price of crude exceed 85 per cent of the lower of the average international price and the Chicago price.

Senator Austin: I thank the minister for his answer. I believe that is the first time the schedule of pricing adjustments has been made available.

POSSIBLE NATIONAL GAS EXPORT TAX

Senator Austin: I wonder if I might ask the Minister of Industry, Trade and Commerce whether or not the government has considered and rejected the possibility of an export charge on natural gas.

Senator de Cotret: We have certainly not rejected any such possibility. It is a matter that is being considered at the moment.

DOMESTIC PRICE OF CRUDE OIL—GOVERNMENT POLICY— AGREEMENT BY ALBERTA AND SASKATCHEWAN

Senator Austin: I gather from the minister's earlier answer that the pricing schedule for oil, of which we have now been advised, is agreed to by the Provinces of Alberta and Saskatchewan. Would that be correct?

Senator de Cotret: In principle, yes.