

Oral Questions

the former minister's inquiry and, if so, what conclusions did he reach?

Mr. Munro (Hamilton East): Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: Order, please. I will hear the question of privilege at three o'clock.

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INDUSTRY**INCREASE IN PRICE OF AUTOMOBILES—CONSULTATION WITH INDUSTRY**

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. It arises out of an announcement this week by General Motors of a 6 per cent increase in the price of 1978 cars. This will be in addition to the 6 per cent increase implemented last year. This will result in an increase in the price of new cars of 12 per cent in one year. Will the minister consider discussing with the auto industry the necessity of this added price increase?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, it is not an increase of 12 per cent a year, but an increase of 5.5 per cent last year and 6 per cent this year. I shall look into this to get more details and, if necessary, I shall get in touch with the industry representatives but an increase of 6 per cent seems rather normal considering the present inflation rate.

[*English*]

SUGGESTED ELIMINATION OF DIFFERENTIAL BETWEEN UNITED STATES AND CANADIAN PRICES FOR AUTOMOBILES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my information is that this will be the second increase in one year. Since there is at present a differential amounting to between \$150 and \$600 or more in the price of cars made and sold in Canada as compared with the price of a Canadian car sold in the United States, even after allowance has been made for all taxes paid in both countries, and since one of the main purposes of the auto pact was the elimination of the gap in prices, would the minister direct his department to study again the price differential with a view to its elimination?

● (1420)

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, this is one of the problems I raised when I met the presidents of the automobile industry of Canada two weeks ago.

[*English*]

Mr. Orlikow: That is the answer we have been getting ever since the first year of the agreement. Since the auto pact

[Mr. Baker (Grenville-Carleton).]

creates, in effect, a free trade situation for the auto manufacturing industry whereas no such situation exists in favour of individual Canadians purchasing cars, while the price of Canadian automobiles continues to be significantly higher than in the United States, would the minister discuss with his colleagues, especially the Minister of Finance, the possibility of removing the tariff on autos produced in the U.S.A. so that the benefits of the free trade in autos resulting from the pact would be made available to Canadians wishing to purchase new cars, not just to the manufacturers?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I am quite willing to consider the idea the hon. member has put forward, but I am not sure it will solve the problem he has raised.

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ENVIRONMENTAL AFFAIRS**ROLE OF UNITED STATES IN REINTRODUCTION OF DICKEY-LINCOLN DAM PROJECT ON BORDER OF MAINE**

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, my question is directed to the hon. Minister of the Environment.

In view of the fact that the American government set up a project a few years ago for the construction of a dam, which was to be called the Dickey-Lincoln Dam, on the Saint John River, on the borderline between the State of Maine and the Province of Quebec, that the people living in the area have again quite recently made their opposition to this project known, and that the American project is apparently being reintroduced, could the minister advise the House whether he has been informed by the American government of the reactivation of this project? If so, could the Minister tell the House what the position of the Canadian government will be in this respect?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, I am told that discussions have been going on for several months and even years regarding the objections raised by some groups in the United States. I will have to check in order to determine what will be the implications, if any, for the Canadian territory. This river borders on the U.S. and Canada. Of course, there are organizations such as the International Joint Commission which could intervene. But I will check and inform the hon. member.

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[*English*]

FOREIGN INVESTMENT**TAKEOVER OF PONY SPORTING GOODS—KNOWLEDGE OF MINISTER OF NAMES OF SHAREHOLDERS OF PONY SPORTING GOODS**

Mr. Tom Cossitt (Leeds): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce and it arises from the cabinet decision on June 30 to permit the sale to