

TRADE

CANADA-UNITED STATES AUTO PACT—GOVERNMENT ACTION
TO COUNTERACT DEFICIT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. According to recently released figures which show that Canada has experienced a \$1.3 billion deficit in its trade in automobile parts in 1974, the largest deficit in the history of the Canada-U.S. automotive agreement, what specific steps has the government taken to reverse this highly unacceptable situation?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, the hon. member is well aware of the reason for the deficit, that is the fact that there is a strong Canadian market and a very, very soft U.S. market. As I have indicated to the House on previous occasions, there is not likely to be any short term solution, but surely the point is that the Canadian industry is doing comparatively better than the U.S. industry at present.

CANADA-UNITED STATES AUTO PACT—INVESTMENT PLANS
OF MANUFACTURERS FOR NEXT YEAR

Mr. Edward Broadbent (Oshawa-Whitby): Considering that one of the major reasons for the deficit is that during the last five years the United States has received proportionately much more of the new capital investment in the industry than has Canada, and considering that the major automotive companies now are restructuring their production for 1976 with a view to producing smaller and more energy-efficient vehicles, can the minister inform the House as to whether or not he has obtained specific commitments from the big three auto manufacturers concerning their investment plans for Canada for the next year?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): I expect the automobile manufacturers, in making new investment, to maintain the relativity of their participation in the North American market.

CANADA-UNITED STATES AUTO PACT—REQUEST FOR PRICE
PARITY WITH UNITED STATES

Mr. Edward Broadbent (Oshawa-Whitby): A final supplementary, noting that the minister has provided no assurances at all on the first two points. Considering that we also have a record deficit in automotive trade with countries other than the United States for 1974 reaching a level of \$484 million, and considering that one of the major reasons for that deficit, particularly as it pertains to imports from Japan, is the excessively high price charged for North American cars produced in Canada, could the minister inform the House whether he has obtained assurances that we will get price parity in terms of the prices charged to Canadians for Canadian produced cars compared with the prices charged to Americans for the same vehicles.

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): On an earlier occasion the hon. member made some statements about the price differential. He chose to make them on the basis of retail prices rather

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than on wholesale prices. I have invited him to provide information on wholesale prices which he said had shown a widening of the gap. Every piece of advice and information I have received indicated that the price differential between Canadian automobiles sold in Canada and Canadian automobiles sold in the United States is narrowing.

Mr. Broadbent: Mr. Speaker—

Mr. Speaker: Order, please. I remind the hon. member that that was his final supplementary. The hon. member for Rimouski.

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[Translation]

ENERGY

REQUEST FOR MEASURES TO MAINTAIN PRICE OF HEATING
OIL

Mr. Eudore Allard (Rimouski): Mr. Speaker, I should like to put question to the Minister of Energy, Mines and Resources.

As the price of oil products will likely increase, has the minister taken or will he take steps to maintain the price of heating oil at its current level, since the whims of our climate and the well-being of Canadians is not a luxury? Does the minister intend to take what steps are necessary to keep the price of heating oil at its present level, since the cost of oil products will probably increase in the near future?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I must point out to the hon. member that no decision has yet been taken with regard to the price of oil, oil products or crude oil in Canada.

Last week, during the first ministers' conference, we proposed setting up a formula to allow the discussion of those matters. The idea was at first rejected by the premiers. Now, there is talk of bilateral discussions on the possibility of fixing limits on the price of crude oil and natural gas.

At this point, no decision has yet been taken on oil prices; the question of the hon. member is therefore hypothetical.

Mr. Allard: Mr. Speaker, I have a supplementary question.

If prices were to increase, would the minister consider protecting Canadian consumers with regard to heating oil prices?

Mr. Macdonald (Rosedale): Mr. Speaker, to my mind that question is even more hypothetical.