

The Budget—Mrs. Erola

The Minister of Finance (Mr. MacEachen) was careful to point out that the elimination of depletion allowances for development expenditures or exploration would not—I repeat, would not—have an affect on the mining companies.

Of significant benefit to the mineral sector is the decision to provide a 50 per cent investment tax credit for investments in new plants and equipment for manufacturing or processing as defined under the Regional Development Incentives Act. The regions that will qualify will be determined on the basis of criteria such as high unemployment and low income levels by the Minister of Regional Economic Expansion (Mr. De Bané). Clearly, this will have a significant effect in qualifying areas, such as the northern territories where much new exploration and development is taking place, and in Atlantic Canada. Also worthy of note is the decision to extend the moratorium on northern benefits; indeed, it was obvious to me during my travels throughout the Arctic this summer that special consideration should and must be given to consumers north of the 60th parallel. Recognizing that this was the case, the government acted swiftly.

Indeed, the future looks very bright for the minerals sector in the coming decade, and there is every indication to assume that the same will hold true for the rest of the economy once we come out of the current recession. The Canadianization measures will doubtless have an effect on certain investors, but the positive image of Canada as a stable country for investment opportunity will remain intact. The stock market experienced downward movement last week immediately following the budget announcement, but as of yesterday the market was again gaining strength.

The budget was an energy budget because Canada needed to face up to its energy security needs. The Canadian government did not shy away from the tough decisions that were needed, and all Canadians will be better off as a result. I am optimistic that if we give the budget measures a chance to take root in our economy, they will provide the needed stimulus for continuous growth well into the next decade.

Some hon. Members: Hear, hear!

Mr. Ellis: Mr. Speaker, a point of order—

Mr. Oberle: Mr. Speaker, a point of order—

The Acting Speaker (Mr. Blaker): The hon. member for Prince George-Peace River (Mr. Oberle) on a point of order.

Mr. Oberle: Mr. Speaker, I wonder if the hon. minister would permit a question with regard to some of the comments she has just made. It was a very interesting speech.

Mrs. Erola: Yes, Mr. Speaker.

Mr. Oberle: Mr. Speaker, the minister is a very prominent member of the cabinet and she too has used the terms “blended price” and “Canada made blended price for petroleum”. For the edification of all hon. members I wonder if she could tell us what that means. We all understand that there are different price structures. There is the domestic price which

emanates from Alberta which is now \$16.75, and there is the tar sands price, and then there is the price of imported oil. There is control of the domestic price and that price will be increased occasionally. We have control over the tar sands price, but no control over the imported price. I should like the minister to explain the difference between the 85 per cent of a blended Canadian price, one component of which is imported oil over which we have no control, and the price in the Crosbie budget which was 85 per cent of the world price.

The Acting Speaker (Mr. Blaker): Order, please. Perhaps the hon. member could get to the question.

Mr. Oberle: Mr. Speaker, I should like the minister to define the difference between the Canada made blended price and the 85 per cent of world price in the Crosbie budget.

Mrs. Erola: Mr. Speaker, the hon. member left out one component. There are a number of prices included in this. There is the \$30 per barrel price, the \$38 for the tar sands oil, and the \$16.75 which the hon. member mentioned. Of course this will all have to respond to the price of the oil being imported.

Mr. Oberle: But you have no control over it.

The Acting Speaker (Mr. Blaker): The hon. member for Prince Edward-Hastings (Mr. Ellis) on a point of order.

Mr. Ellis: Mr. Speaker, I wonder if the minister would permit a very brief question.

The Acting Speaker (Mr. Blaker): Order, please. I permitted the previous member to ask a question and the minister to give an answer because it was within her allotted time. We are past the time which has been given to the minister for purposes of the debate. I need unanimous consent of the House now to permit a question. Is there unanimous consent?

● (1720)

Some hon. Members: Agreed.

Mr. Deans: No.

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, as I rise to speak in the chamber today as an Albertan, I do so in the sense that the people in my riding feel even more alienated than they did a few weeks ago.

As we look at the history of the native people, education was passed down by direct conversation from father to son from one generation to another. The same is true in western Canada. People from the west who have lived through many direct impositions placed by the federal government or the central establishment upon western Canadian development have also passed this information down through the generations, so that we who are third and fourth generations are very aware of it. It is interesting to note as other people move in from other parts of Canada or other parts of the world that it does not take many months before they, too, get that same feeling.