

Oral Questions

In controlling those funds, the President of the Treasury Board controls the program, so don't try to hide behind arm's length in this circumstance.

[*Translation*]

Mr. Speaker, this government is responsible for cutting the CBC budget right down to the bone by reducing corporate appropriations to the tune of more than \$240 million and forcing management to slash legitimate outlays to the extent that the future of some services is in doubt. My supplementary is directed to the President of the Treasury Board. Does he not think that Radio Canada International has to know today that the necessary funds will be set aside just so it will survive? Yes or no?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I want to point out that our government has done all it could to maintain the funds required by the CBC to fulfill its mandate. Being one of its supporters I can tell you quite frankly that I have always been satisfied with its excellent service. The CBC management now has to deal with some restrictions, but I am sure it will continue to provide outstanding services.

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• (1450)

[*English*]

OIL INDUSTRY

Mr. Steven W. Langdon (Essex—Windsor): My question is for the Minister of Finance, Mr. Speaker.

As my leader stressed, economic forecasts show that the oil industry in Canada will make an extra \$5 billion in profits next year from the gulf crisis, as a direct result of that. In fact, Statistics Canada has just reported an increase of \$600 million in petroleum products profits in the third quarter alone.

Will the minister see to it that these super profits pay the cost of the blockade in the gulf instead of cutbacks in programs for people across this country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, as my friend already knows, we have made significant changes to the taxation of corporations, with the result that there will be significant tax revenues

coming from the additional profits that the oil companies will be making with the increase in the price of oil. He can be assured that those moneys that will accrue to the Consolidated Revenue Fund will be applied in the appropriate way. One of those ways will be to help finance a variety of programs in a variety of ways.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the Minister of Finance makes an important point. The estimates which have been undertaken by Informetrix, for instance, suggest that indeed the government will get an extra \$1.1 billion in revenue as a consequence of the oil price increases coming out of the gulf crisis.

Why will the government not take this money to pay for the blockade in the gulf? Why is the government trying in a sense to make money out of this gulf crisis for its own revenue?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am pleased that the hon. member has asked me this question.

The net effect of the increase in the price of oil over all on the revenues of the Government of Canada is not positive. It is negative.

There is an increase in revenues related to the increased revenues that the oil and gas companies make, but offset by that is the negative impact on the economy of the increased price of oil and the impact this could have on inflation.

The net balance is not positive, as the hon. member suggests. The net balance is negative, and that is why my colleague, the President of the Treasury Board, came to the House last Friday with supplementary estimates to finance the increased cost of the efforts in the gulf.

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[*Translation*]

FORESTRY DEVELOPMENT

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the Minister of Forestry. On October 24 last I rose in the House to enquire about the Canada-Quebec forestry development subsidiary agreement.

My question is this: Should Quebec fail to respond to the August 24, 1990 federal government offer, will Ottawa look at another option to help the province's hard-pressed forestry producers?