

*Oral Questions*

**Mr. McGrath:** I should like to ask the minister: given the fact that the \$350 grant will be taxable and conditional and will lean heaviest on the provinces which lacked the capacity to meet the conditions and will lean heaviest on low income earners across the country, will the minister take into account regional disparity in terms of incomes and the capacities of the provinces to meet the conditions of the program in terms of budgetary proposals which they will have to implement? Therefore, is he prepared accordingly to take these conditions into account and to deal with the provinces accordingly?

**Mr. Gillespie:** Mr. Speaker, if the hon. member examines the program, he will see that we have tried to build in the kind of equity to which he has referred. That is why those grants were made taxable. As the hon. member knows, the recent budget changes of the government of Canada increased the level of person who would not be subjected to income tax in this country. Therefore, they will receive the full grant without any tax whatsoever. On the other hand, the hon. member must recognize that there are some very wealthy Canadians who would be in the 60 per cent tax bracket. It seems to me he should want to support the government's approach, that that type of individual should not receive the same treatment as someone who is not in that taxable bracket.

**Some hon. Members:** Hear, hear!

**Mr. Gillespie:** We tried to introduce a degree of equity, as far as income groups are concerned. The hon. member referred to unseemly haste. I should like to suggest to him that he has no sense of urgency in respect of the energy problem in this question. During the period I have referred to between May and now, we consulted with the provinces and we have provided a further two months for the provinces to work out with us the details of the program for their citizens.

● (1420)

CONSERVATION—GRANTS FOR HOME INSULATION—  
AVAILABILITY TO OTHER PROVINCES OF PROGRAM SIMILAR TO  
THAT OF NOVA SCOTIA AND P.E.I.

**Mr. John C. Crosbie (St. John's West):** Mr. Speaker, may I direct a supplementary question to the Minister of Energy, Mines and Resources. Can he tell the House why the grants are taxable in eight provinces but not taxable in Nova Scotia and Prince Edward Island? The minister cited electrical costs as being a factor in the program for Nova Scotia and Prince Edward Island, but in his own statement on Monday he pointed out that 80 per cent of all those housing units are oil heated.

**Mr. Speaker:** Order, please. Has the hon. member a supplementary question to ask?

**Mr. Crosbie:** Mr. Speaker, my question is this. In view of the differences in this program, as announced on Monday, does the minister not agree with the contention of Premier Schreyer, that the program is restrictive and unequally applied, and will he now make available the same program to

[Mr. McGrath.]

those eight provinces as he has made available in Nova Scotia and Prince Edward Island?

**Hon. Alastair Gillespie (Minister of Energy, Mines and Resources):** Mr. Speaker, if the hon. member will read my answer to the first question I was asked today, and the answers I have given him on previous occasions, he will find the answer to his question, again.

CONSERVATION—ALLEGED FAILURE OF NEWFOUNDLAND TO  
AGREE TO CONDITIONS FOR HOME INSULATION PROGRAM

**Mr. John C. Crosbie (St. John's West):** A final supplementary question, Mr. Speaker. The eight provinces which have been discriminated against must agree to meeting four conditions with respect to the program. One of those is that they shall adopt a new energy code for new buildings. The minister said in his statement that Newfoundland has agreed to those conditions. Is the minister not aware that the government of Newfoundland has not agreed to those conditions and that, therefore, his statement is misleading and inaccurate? Will he now correct it?

**Hon. Alastair Gillespie (Minister of Energy, Mines and Resources):** Mr. Speaker, if the hon. member has read the announcement and listened to statements I, the Minister of State for Urban Affairs and the Minister of State for Science and Technology made—and the last mentioned minister recently published a new insulation code—he would recognize that there is an opportunity for the provinces to provide input into these prescribed conditions, which will only be promulgated after that input by the provinces.

Indeed, other provincial groups may also wish to provide some input. We think this is fully consistent with the time schedule we set out, and fully consistent with the commitment on the part of the provinces to implement either these standards or their equivalent by the end of this year. If the provinces are prepared to make that kind of commitment, that is good enough for us. Because of advice I received and as a result of discussions I have had with the energy minister of Newfoundland, I have been led to believe that Newfoundland would go along with these new standards, on that basis.

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#### CANADIAN NATIONAL RAILWAYS

CLOSURE OF HOTEL VANCOUVER—POSSIBLE VIOLATION OF  
AGREEMENT WITH HILTON HOTELS

**Mr. Stuart Leggatt (New Westminster):** Mr. Speaker, in the absence of the Minister of Labour and the acting minister, I direct my question to the government House leader. It concerns the recent closure of the Vancouver Hotel in Vancouver and the attendant labour dispute. I point out, in connection with the dispute, that the hotel employees sought increases which were well within AIB guidelines, and my question concerns the closure decision. This hotel is owned by Canadian National and operated by the Hilton Hotel chain, and the