

Oral Questions

would be lowered, or something along those lines. With regard to the consuming end, we have indicated various responses. I summed them up in my speech. I would refer the hon. member to it. I would also remind him that we suggested that in January we would be discussing with the provinces the measures or approaches we might take jointly to meet any further problems that might subsist.

Mr. MacKay: I thank the Prime Minister for his very interesting answer. I do not want in any way to be unfair to him, but he did say a couple of days ago, as recorded at page 8669 of *Hansard*, that the federal government can in no way determine the price at which—

Mr. Speaker: Order, please. I wonder whether we might not try to have questions rather than debate. Perhaps the hon. member could ask the question directly rather than referring to a prior statement. It might be easier for the Chair if that were done.

Mr. MacKay: All right, Mr. Speaker. Perhaps the right hon. gentleman could indicate to us what specific measures he has for the short term. I indicated to him before that I wondered whether he was considering a short term subsidy or some other means to protect the people of the five eastern provinces of Canada from the very critical situation which is compounded by problems of transportation and supply from offshore sources. Surely he must have some specific measure so the people of eastern Canada will know how they are going to heat their homes this winter.

Mr. Trudeau: Yes, Mr. Speaker. In an earlier statement I indicated that the Minister of National Health and Welfare had communicated with the provinces, for instance, to ensure that our Canada Assistance Plan payments would be adequate to help those who are on welfare. I also indicated the escalation of various payments, family allowances and so on, which are now going toward offsetting the higher cost of living.

Mr. Hees: Give them a little welfare and hope they make it.

● (1120)

Mr. Trudeau: If the hon. member is arguing that the federal government alone should bear the responsibility for these higher prices, I would just say that is not our view. Those provinces have for many years benefited from lower world prices compared with the people west of the Ottawa Valley line.

Mr. Hees: So let them freeze now.

Mr. Trudeau: It is not a question of letting them freeze. It is a question of who should pay the subsidy. I do not think the federal government should assume, as hon. members opposite are, that the taxpayers of all Canada should alone subsidize the people of certain provinces. I think the provincial governments themselves have some responsibility in this regard, particularly in view of the fact for years they have levied higher taxes on that cheaper oil in their provinces.

[Mr. Trudeau.]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a supplementary question for the Prime Minister. Because of the fact that for a number of years there has been a balance in favour of Quebec and the eastern provinces in terms of the price of crude which never exceeded 50 cents a barrel, is it the Prime Minister's position that this justifies a national policy which involves the five eastern provinces paying perhaps an additional \$3 a barrel? Is it the position of the Prime Minister that, because there has been a balance, sometimes as much as 50 cents a barrel, in favour of the Atlantic provinces and Quebec in terms of the price of crude, those provinces should be left to bear the cost of crude oil running as much as \$3 or more a barrel more than the rest of Canada?

Mr. Trudeau: No, Mr. Speaker. It is the government's position that the provincial governments have some responsibility in assisting the citizens of their provinces, that the federal taxpayer, that is to say, taxpayers from every part of Canada, should not be asked to subsidize a loan to the eastern consumers in this particular circumstance. The government intends bringing forth propositions to the federal-provincial conference—

An hon. Member: What are they?

Mr. Hees: There are six very cold weeks ahead.

Mr. Trudeau: If members opposite would support us in a unilateral declaration policy, I would be glad to state it now, but they have often been urging us to consult with the provinces.

Mr. Hees: You have not got a policy.

Mr. Trudeau: George, I think you should go back to the time when you just contented yourself with looking like Gorgeous George.

Some hon. Members: Hear, hear!

Mr. Hees: I am getting to him. The Prime Minister says, let them burn wood. That is his policy.

Mr. Speaker: Order, please. Perhaps the Prime Minister might be allowed to repeat his reply. There are a few supplementaries by the hon. member for Central Nova and the hon. member for St. John's East. We will then try to move on.

Mr. Hees: I didn't know I could get under your skin so well.

Mr. Trudeau: The hon. member does not get under my skin with the knife he put under the skin of his former leader.

Some hon. Members: Oh, oh!

Mr. Hees: You are frightfully funny this morning. Let's get back now to your wood burning policy.

Mr. Trudeau: I must repeat that I do not assume that the federal government must in every case subsidize citizens of some provinces when the provincial governments themselves have just received \$190 million in equalization