

Oral Questions

Hon. Donald J. Johnston (President of the Treasury Board): Madam Speaker, it is the policy to establish such comparability. The pay in the public service is, of course, a matter which will be taken into account.

I would also point out that when I made the reference to 10.8 per cent I was talking about an average. With any particular group the figure might be higher, or it might be lower, depending on where that group finds itself relative to the external market, so that should not be taken as a figure which is to be applied across the board.

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ENERGY**EFFECT OF ALBERTA COURT OF APPEAL DECISION RESPECTING
NATURAL GAS—GOVERNMENT POSITION**

Hon. Ray Hnatyshyn (Saskatoon West): Madam Speaker, my question is for the Minister of Energy, Mines and Resources. Yesterday the minister responded to questions by me with respect to the natural gas reference in the Alberta Court of Appeal, saying that the matter of appeal was under consideration and that he would give a statement to the House in due course. He did not answer my question, though. He attempted to avoid answering the question with respect to the position being taken by the government as to whether it is prepared to adjust, amend, or bring in new taxation measures in discussions with the producing provinces.

Now that the minister has had a day in which to discuss the matter with his mentor, the Minister of Finance, can he now address the question as to whether or not the government, the minister in particular in his discussions with the producing provinces, is prepared to make any kind of changes in terms of the taxation regime and the sources of revenues for the federal government, in order to bring the discussions with the producing provinces to a satisfactory conclusion?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, the judgment of the court of appeal, which I am sure the hon. member has read, states quite specifically that the judgment is on a very narrow point. As a matter of fact the judgment deals with two or three wells which are not producing at the present time and which are not exporting any gas. So, in terms of substantive impact, there is none at the present time. Therefore the question that the hon. member raises does not seem to require the necessity of changes at the present time. Again, this is a matter which the Minister of Finance will have under consideration. I am sure he will advise the House if any additional adjustments are required to taxation.

Mr. Hnatyshyn: Madam Speaker, the decision itself reaffirmed the ownership and the lack of jurisdiction and ability of the federal government to tax property owned by the Crown in right of the province. In view of the fact that this matter has been challenged not only in Alberta but that Saskatchewan will bring an action with respect to the direct taxation imposed

by the federal government at the wellhead, and in view of the desirability of having this matter resolved as quickly as possible by the courts, can the minister say whether or not he is advising the Minister of Justice, or his cabinet colleagues, to bring the issue before the Supreme Court of Canada so that these matters being raised by the provinces can be adjudicated at the highest level? Is the minister considering that option, or will he consider it?

Mr. Lalonde: Madam Speaker, the government considers all options. As to advice which I may give, it is obviously given inside cabinet and it is of a privileged nature.

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GRAIN**COMPENSATION TO FARMERS FOR EMBARGO ON SHIPMENTS TO
RUSSIA**

Mr. Stan J. Hovdebo (Prince Albert): Madam Speaker, my question is for the Minister of Agriculture, who is responsible for the compensation being paid to Canadian wheat producers affected by the grain embargo. Can he tell the House whether the federal government is prepared to pay the \$152 million, a figure arrived at in a study released by the New Democratic Party yesterday?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, I saw the amazing figure the hon. member says he obtained through library research. It was arrived at by a different avenue than the one we followed. If he has any new ideas that he has been able to obtain from the Parliamentary Library, I would like to know of them. We do hope a decision will be made very soon with respect to the program.

Mr. Hovdebo: Madam Speaker, the minister is quite welcome to disagree with our figures, if he wishes. He is entitled to do so. Could the minister at least indicate to the House his method of calculation of compensation, which I understand has been completed for some time now? After 14 months, will the minister either put up or shut up? So that the farmers will finally get what is due to them in compensation, will the minister at least put before the House those figures so that there can be intelligent public debate with respect to what they should be?

Mr. Whelan: The figures we used were figures presented by all the different people in the different departments concerned with grain marketing, by compiling all the information available in the grain trade and putting it together in a very thorough manner. When a decision is made, these figures will be tabled. The figures will be put up, but it will take more than the hon. member to tell me to shut up.