

The Budget—Mr. Regier

making the act as effective as they can, it is obvious that much stronger measures will be necessary.

I should like to cite just one example. A number of years ago the oil companies in the lower mainland of British Columbia were found guilty of price fixing. Nominal fines were imposed. I believe the companies may even have had the decision reversed later on in a higher court. However, by deliberate design they now have invented a new kind of agreement with the dealers, the retail agents of gasoline and oil, which completely flouts the intent of the Combines Investigation Act. I had discussions with one of the oil companies, and the officials were prepared to admit that they were circumventing the intent of law even though, perhaps, they were remaining within the letter of the law.

I have with me certain details in connection with this matter. I have invoices which indicate that a dealer who signs an agreement on the dotted line and agrees to be their slave or serf is allowed a margin of 7 cents a gallon on the gasoline he sells. However, if he insists on his independence he is allowed a margin of only 3.6 cents a gallon. This was a few weeks ago, and I understand the figure has since been reduced to 2.6 cents a gallon. I do not blame the operators of the retail outlets. They are doing their best under very difficult circumstances. They have to survive on very narrow margins. We had the University of British Columbia make a survey of all the service stations in the municipality of Burnaby, and this commission found that the net earnings of all the operators of all the service stations in Burnaby in one year amounted to less than 80 cents an hour. It is a disgrace when so-called independent businessmen earn a net income of no more than 80 cents an hour.

I understand that one company, and I have a record of it here, is engaged in a dispute. It is not before the courts yet so I can speak of it, but it may come before the courts. This company is attempting to cancel its mortgage agreement with the oil company. It is offering to pay every nickel it owes, but the oil company is not accepting the offered payment. I believe we ought to take legislative action so that if a man owes some money and is prepared to repay what he owes, he may have the right by law to get off the hook and get out from under his obligations.

This particular retail company has been warned that if it cancels the agreement, either legally or otherwise, the oil company may undertake a claim for damages against it and might be prepared to sue for loss of business amounting to as much as 10 cents a gallon for each of the next five years, running

in this case to some \$60,000. I would dare a Canadian oil company which allows a margin of only 2.6 cents a gallon to publicly sue any operator for a loss of business at the rate of 10 cents a gallon. I think if they did that the people of Canada would once and for all be able to see that it is not the retail operators but the monopoly cartel of our oil companies who are responsible for the racketeering and the needless exploitation that goes on.

Let no one say there is no monopoly. Imperial Oil, either alone or through its subsidiary companies, owns oil wells in Alberta, pipe lines that take the oil to Edmonton, the gathering system, the Trans-Mountain Oil Pipe Lines, and their own oil refinery outside Vancouver. They deliver in their own trucks and own their own retail outlets. Then, as I have indicated, the man actually doing the work in rain and sleet earns less than 80 cents an hour. If this is allowed to continue it will not be long before the big companies dictate whom he is to marry, when he may marry and so on. I call on the government either to amend the Combines Investigation Act or to bring in other legislation to ensure that the consumer of Canada is not going to be a forgotten man, and that the hard working businessman who wants to be independent is not exploited as he is at the present time.

I indicated earlier that at the end of my remarks I intended to move an amendment in which would be contained some specific recommendation. These recommendations may appear very expensive to the public treasury; however, I should like to point out that in our opinion these recommendations will enhance effective demand for consumer goods in Canada and will thereby be responsible for getting the wheels of industries going again in order to supply the need for consumer goods. The government, incidentally, will find its revenues enhanced as a result.

I should also like to point out that many of these payments we propose return by way of taxes, and in other ways. All levels of government added together take about one third of what the average Canadian earns. Therefore to increase the average Canadian income is not necessarily a net expense on the part of the different levels of government.

I should like to move, Mr. Speaker, seconded by the hon. member for Peterborough:

That the amendment be further amended by deleting therefrom all the words after the word "size" and adding thereto the following paragraph:

And this house regrets that adequate consideration has not been given and the government has failed to undertake social and economic planning necessary to stimulate the economy, provide full employment, and give an adequate level of social security by such specific measures as:

1. Raising basic exemptions under the Income Tax Act.