

*Finance*

• (5:40 p.m.)

**Mr. H. A. Olson (Medicine Hat):** Mr. Speaker, I hope that the Minister of Finance (Mr. Sharp) and other members of the house will reject this amendment, and the sooner the better, because the provisions of Bill C-211 are in my opinion long overdue. They should have been brought before the house and dealt with by it some time ago in order to establish a fair taxation base between those provinces that have publicly owned power utilities and those that have privately owned power companies.

In the province of Alberta, for example, some of the power and gas companies are publicly owned by municipalities and, of course, many others are not. They are privately owned corporations which are providing excellent service, at the same energy rate in many cases as publicly owned corporations elsewhere in Canada. But there is a discrepancy in the amount of tax paid by these utility corporations. If they are privately owned they are subjected to the same corporation tax as any other private corporation in Canada but publicly owned power and other utility companies are not taxed on the same basis.

I suggest that the purpose of this bill, for which I commend the Minister of Finance—is simply to provide a measure of justice to those citizens of Canada in areas that are served by privately owned utility companies, because certainly the only way in which privately owned companies can get the money with which to pay the federal corporation tax is through the rates charged to their customers.

**Mr. Barnett:** Mr. Speaker, would the hon. member permit a question?

**Mr. Olson:** I will later. It seems to me it is a complete injustice to have a tax base that requires citizens in some parts of Canada to pay a higher rate for energy when all other cost factors may be the same. If the hon. member for Comox-Alberni would like to ask his question now, I will endeavour to answer it.

**Mr. Barnett:** Mr. Speaker, I would like to ask the hon. member this question. In common logic, does he suggest that this bill will reduce the rates of the private utilities?

**Mr. Olson:** I was just coming to that, Mr. Speaker. So far as the government of Alberta is concerned, it has made a public announcement, I believe, that it intends to return this

tax money to the corporations which in turn have agreed to reduce accordingly the rates for energy. This would bring the situation more in line with the tax exemptions that are the privilege of publicly owned utility corporations. It seems to me that if this bill is not passed the effect will be an attempt to force the provinces to nationalize all utility corporations within their boundaries. That may suit the hon. member for Comox-Alberni and his philosophy but so far as we are concerned we can offer substantial evidence, in fact overwhelming evidence, that privately owned power corporations can and do deliver power to their customers just as cheaply and efficiently over a long period as any publicly owned utility in Canada, given the same set of other cost factors.

If it becomes necessary to come forth with all the facts and figures to compare, for example, a thermal power unit such as the one at Wampum, Alberta, with the one at Estevan, Saskatchewan, both of which use the same kind of fuel from the same kind of mining operation and are essentially the same kind of unit, it can be satisfactorily proven that the privately owned corporation producing power in Alberta does it in fact a little more efficiently than is the case in Saskatchewan. However, Mr. Speaker, I had no intention of taking up this much time this afternoon because I think this is a good bill which is long overdue. I ask the house to deal with it fairly and pass it as soon as possible.

**Mr. Deputy Speaker:** Is the house ready for the question?

**Some hon. Members:** Question.

**Mr. Deputy Speaker:** The question is on the amendment to the main motion. All those in favour of the amendment to the main motion will please say yea.

**Some hon. Members:** Yea.

**Mr. Deputy Speaker:** All those opposed will please say nay.

**Some hon. Members:** Nay.

**Mr. Deputy Speaker:** In my opinion the nays have it.

*And more than five members having risen:*

**Mr. Deputy Speaker:** Call in the members.