• (1730)

At this point I should like to quote from an editorial which appeared in the *Financial Post* of December 15, 1973:

To keep some perspective on the whole situation, it's worth taking a look at figures proffered by J. A. Armstrong, president of Imperial Oil. He doesn't pretend to be a disinterested party, but he makes his points coolly and factually, considering that he heads one of the companies whose future has been sharply affected by Ottawa's moves.

The Canadian oil industry made an after-tax profit in 1972 of 7.4 per cent on the money it used in its business. The after-tax profit in manufacturing generally that year was 7.3 per cent—essentially the same return in an industry that, by normal standards, is considered to face less risk.

In 1972, Imperial's profit on each dollar of revenue was 7.3 cents, which is just about the company's average of the past 25 years.

In October, the price of a typical Alberta crude oil—Imperial's raw material—was only 16 per cent higher than it was 25 years ago. In comparison, the composite price of industrial raw materials generally increased 58 per cent in the same period.

The price at which Imperial sells its Esso gasoline to the dealer, exclusive of federal and provincial taxes, has increased 21 per cent since 1948. In the same period, the general wholesale price index has increased about 95 per cent. Average weekly wages and salaries have increased almost 400 per cent.

I ask hon. members, where is the terrible rip-off? It just isn't there.

One of the most important of the yet-to-be-answered questions about oil is what Ottawa's on-going price freeze will do to corporate plans to explore and to develop new oil sources. Although Canada has abundant potential energy resources when the various kinds are added up, immense amounts of money will have to be forthcoming to develop them. Good profits are essential because, as Armstrong points out, it costs at least $2 million to drill an exploration well on the Arctic mainland compared to an average of $150,000 in Alberta.

The great governmental grab at oil has been engineered amidst much shouting that this is what should be done to protect the Canadian consumer. If oil companies are so circumscribed by governments that they see neither point nor profit in steeping up the hunt for oil, the Canadian taxpayer might as well brace himself to provide the billions needed to set Ottawa up in the business.

If the hon. member opposite would get up on his feet and ask a question I would be able to deal with it, Mr. Speaker, but instead he sits over there mumbling to himself. I would be very happy to allow him the floor to ask a question. Would you like to ask me a question?

Mr. Speaker: Order. We have just about reached the end of the time allocated to the hon. member, so there would be no time for the hon. member for Davenport (Mr. Caccia) to ask questions.

Mr. Schumacher: Mr. Speaker, he does not have the nerve to ask a question anyway. I will not get much further in the next 30 seconds so I will just close by saying that we should get off the negative, rigid approach to this problem and start offering some incentives. Instead of putting a freeze on things, let us learn from what the United States has done.

Mr. Speaker: Order, please. The hon. member's time has expired.

Energy Supplies Emergency Act

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: Order. Pursuant to Standing Order 40 I must advise the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Perth-Wilmot (Mr. Jarvis)—Transport—Study of railway passenger service in southwestern Ontario by Transport Commission—Local consultation; the hon. member for Yorkton-Melville (Mr. Nystrom)—Agriculture—Increase in farm costs—Requests for investigation by Food Prices Review Board; the hon. member for Mississauga (Mr. Blenkarn)—Unemployment Insurance—Possibility of charging employers and employees employment rated premiums.

GOVERNMENT ORDERS

[*English*]

ENERGY SUPPLIES EMERGENCY ACT

MEASURE TO PROVIDE FOR ALLOCATION BOARD, MANDATORY ALLOCATION OF SUPPLIES AND RATIONING OF CONTROLLED PRODUCTS

The House resumed from Friday, December 14, consideration of the motion of Mr. Macdonald (Rosedale) that Bill C-236, to provide a means to conserve the supplies of petroleum products within Canada during periods of national emergency caused by shortages of market disturbances affecting the national security and welfare and the economic stability of Canada and to amend the National Energy Board Act, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, my remarks in this debate on Bill C-236 will deal in part with the industrial problems which arise as a result of the lack of planning by the government. We have before us a bill that would give wide powers to the Governor in Council, powers beyond those given to the cabinet even in the War Measures Act. The Prime Minister (Mr. Trudeau) and the Minister of Energy, Mines and Resources (Mr. Macdonald) would have us believe that these extreme powers are required because, in their view, we are experiencing a crisis which calls for strong measures. We say that the so-called crisis, in large part, has been created by the government, and in our view its ministers are not competent to handle the problem so they should not be given the powers set forth in Bill C-236.

We need only read page 8671 of *Hansard* for December 12, and the right hon. Prime Minister's reply on a point of order raised by the hon. member for Peace River (Mr. Baldwin), to be aware of the partisan, narrow view that the Prime Minister is taking of the oil supply problem. I was going to read his remarks into the record again, but other hon. members have done so. In addition, editorials in