

*The Address—Mr. Douglas*

words of the English poet, Alfred Noyes, "Captain, art thou sleeping there below?"

I was interested to listen to the Prime Minister and the Minister of Energy, Mines and Resources (Mr. Macdonald) reciting with some pride a catalogue of steps which the government has taken during the past 12 months to protect Canadian consumers during the oil crisis. However, they neglected to state that every one of those proposals was put forward by the members of the NDP—

**Mr. Turner (Ottawa-Carleton):** Oh, come on.

**Mr. Douglas:** And they also neglected to state that all of those proposals were at first rejected by the government, and belatedly accepted and implemented by the government.

**Some hon. Members:** Hear, hear!

**Mr. Douglas:** When the Minister of Finance (Mr. Turner) shakes his head—and I can hear it from here—

**Some hon. Members:** Oh, oh!

**Mr. Douglas:**—I would just like to remind him that it was the members of this party who, in January of last year, advocated putting domestic controls on the export of oil. The government said there was no need to do that, and then imposed them on March 1.

It was the members of this party who advocated export controls on gasoline in April. And the government finally implemented them later in June. It was the members of this party who, in May, advocated a price freeze on domestically produced oil, a two-price system, and an export tax to pick up the windfall profits. And the government put those into effect on September 6. It was this party which first proposed, and for years had been proposing a pipeline to Montreal, which the government's energy report tabled in this House last June rejected, but which the government accepted and the Prime Minister announced on September 6. It was this party first put forward the proposal for a one-price system across the country, which the Minister of Energy, Mines and Resources said was completely impractical, and which the government has now adopted.

I think that when the people of Canada review the steps that have been taken with respect to the oil crisis during the past 12 months they will be inclined to say, "Thank God for the seagulls."

**Some hon. Members:** Hear, hear!

**Mr. Douglas:** There are three major oil policy decisions which must be made during this session of parliament. Our failure to face up to them will wreak havoc in our economy, and create untold hardships for the people of Canada. The first of these policy decisions has to do with fixing the price of crude oil in Canada. The present voluntary price freeze will end on March 31 and has to be replaced by a new pricing policy which the Minister of Energy, Mines and Resources (Mr. Macdonald) described on March 1, at page 83 of *Hansard* for that date as follows:

● (1440)

... a proposal for a one-price oil system in Canada which, from the first of April this year, will keep Canadian prices at less than international

[Mr. Douglas.]

prices but which will provide the revenues necessary to first find and develop new resources and to offset the higher costs of oil imported into eastern Canada.

Mr. Speaker, I draw attention to the words "revenues necessary to first find and develop new resources" of oil. The question that this parliament will have to settle is, who is going to get the revenue from this proposed price increase to find and develop new resources of oil? Is it to be the oil companies? I point out that the oil companies do not need more money. Before the price freeze went into effect they had secured an approximately \$1 per barrel increase which brought them revenue of something in the nature of \$700 million annually.

I note that the President of Gulf Oil says that the government of Canada will have to pay them some \$400 million just for the months of February and March. It is interesting that the Minister of Industry, Mines and Resources admitted in a speech last Friday that it would probably be in the neighbourhood of \$300 million, or perhaps more. What is the justification for that? Has any analysis been made of what they are paying for this oil and what the markup is on this imported oil?

The fact is, Mr. Speaker, that oil profits are a national scandal at a time when this country faces an energy crisis. Look at the figures: Imperial Oil's profit up 45 per cent, Shell up 43 per cent, Gulf Oil up 58 per cent. Mr. Jerry McAffie said very proudly that these were the highest profits that Gulf Oil had enjoyed in all its history. For the fourth quarter of 1973, the profits of oil companies increased by 46½ per cent. All this profiteering at a time when we are in a national crisis, Mr. Speaker, when Canadians are being asked to tighten their belts and when the workers of this country found in 1973 that their share of the gross national product actually declined while corporation profits as a share of the gross national product increased.

In his speech last Thursday the Prime Minister made a statement that I hope will be engraved in stone as it ought to be. At page 33 of *Hansard* for that date he said:

We will not allow corporate profiteers and gougers to pile up windfall profits at the expense of the people of Canada.

Mr. Speaker, I like the words: I am waiting to hear the melody. I say to the Prime Minister, through you, Mr. Speaker, that the profiteers and gougers are profiteering and gouging right now. What does your government intend to do about it? If one could judge by the statement of the Minister of Energy, Mines and Resources, they not only do not intend to do anything about it, they are going to enable the profiteering and gouging to go on at an accelerated rate under the guise of encouraging oil development and exploration. The government should institute a full scale public investigation of oil profits before they agree to any increase in the price which is to be paid to the oil companies. Even in the United States the Senate has had an investigation into oil profits and that revealed a situation in companies like Exxon which borders on economic piracy.

As a matter of fact higher prices to the oil companies is no guarantee of increased exploration and development. They have made good profits and yet drilling has decreased in western Canada during the past three years. It is estimated that \$1 billion per year of profits from