

Petroleum Products Controls

four points that I had made to that point in time, first of all I indicated that I felt it was unfortunate that the hon. member had taken certain items and had pointed to the fact that the price of these items had increased, while totally ignoring the fact that in the over-all inflationary spiral of consumer prices in this country the petroleum products that he referred to were of comparatively little significance. For example, in April the consumer price index stood at 147.3, having risen 1.1 per cent in April alone, compared to petroleum products which are in the 120 to 130 price index range and which in many cases have been relatively static in price for several months. In short, we in the Progressive Conservative party foresaw the problem of rising prices and advocated that the government bring in wage and price controls. The government has refused to do so, and the NDP has aided and abetted them in that refusal.

Secondly, the hon. member is suggesting placing controls on the export of gasoline and other refined petroleum products. However, he did not mention to hon. members, when he quoted certain figures showing the rise in the export of gasoline products, that the bulk of the increase came from eastern Canadian refineries which in most instances were established to take in crude oil from foreign countries, refine it and export it to the United States in its refined state. I think it is unfortunate that the hon. member chose to make that point and to suggest that the export of this type of refined product should be controlled. The fact is that 51.8 per cent of the refining capacity of this country is in eastern Canada, and the hon. member is indicating, perhaps unintentionally, that he is proposing to kill the growth of this refining and exporting business.

If I may deal again with the two-price system, the hon. member also ignored the question who is going to pay for this two-price system. Does he intend that the producer shall pay, the federal government, or the provincial governments? I feel this was an unfortunate omission on his part.

Finally, may I deal with paragraph (c) of his motion in which he suggested removing the Ottawa valley line and permitting offshore oil and domestic crude to move freely in the interests of price competition. This, as I mentioned, is surely totally inconsistent with the hon. member's approach. On the one hand he is suggesting that we stop exporting petroleum products because prices internationally are higher, and on the other hand he is suggesting the removal of the Ottawa valley line to take advantage of those competitive international prices. You cannot have it both ways. If export prices are higher, I think the hon. member has a lot of explaining to do as to why he feels we would have lower prices in this part of Canada as a result of that line being removed. In fact, I believe it would be very detrimental to Ontario in particular if through inadvertence or lack of planning we became totally dependent upon foreign producers for our petroleum products.

● (2010)

It has been seriously suggested that the price of gasoline could go as high as \$1 per gallon in this country. Surely the hon. member does not wish to contribute to bringing about that situation. As I said before, I would much prefer to continue to negotiate with the Premier of Alberta than deal with the sheiks of the Middle East, which could well

[Mr. Stevens.]

be the end result of his suggestion in paragraph (c) of this resolution.

In proposing this resolution I think the hon. member and his colleagues have been opportunistic. They have taken certain items which they feel suit their purpose and have chosen to—

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but his allotted time has expired. He may continue, however, if he has unanimous consent.

Some hon. Members: Agreed.

Mr. Deputy Speaker: Is it agreed?

Some hon. Members: No.

Mr. Deputy Speaker: There is not unanimity.

[*Translation*]

Mr. J.-J. Blais (Nipissing): Mr. Speaker, let me start my speech by referring to what was said by the hon. member for Waterloo-Cambridge (Mr. Saltsman).

[*English*]

Mr. Speaker, I was most interested in the stress the hon. member for Waterloo-Cambridge (Mr. Saltsman) placed upon the controls he thought should be imposed on the exportation of crude oil, and the position taken by the hon. member for York-Simcoe (Mr. Stevens) that there should be encouragement in respect of the exportation of products refined from crude oil. Indeed, that flies directly in the face of the proposal of his colleague.

I also take exception to the statement of the hon. member for Waterloo-Cambridge to the effect that indeed there was consideration by United States authorities to put quotas on the importation by that country of oil products from Canada. Let me advise the hon. member through you, Mr. Speaker, that in his mid-April energy message President Nixon contemporaneously issued an oil import program proclamation in which power was given to the Secretary of the Interior to increase at will the importation of products from oil, including crude oil, unfinished oil and finished products from Canada.

When we look at the latest count in respect of weekly consumption by the United States in barrels, we see that the United States consumes at the present time approximately 45 million barrels per week, the maximum capacity of their refineries. They foresee that within a very short time the increase in the demand for gasoline will be in the order of 4 million barrels a week. Indeed, it becomes evident that with the capacity of 45 million barrels a week being completely used at the present time, in a few months the United States will face a considerable shortage of gasoline, and it would be silly of them at this particular stage to commence the imposition of restrictions on the amount of oil products imported from Canada. I would suggest that at this particular juncture it might be wise for the National Energy Board to consider imposing increased controls on crude oil in lieu of controls on refined products.

In the speech of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) there was no indication of the capacity of Canadian refineries. I suggest that if the