

Excise Tax Act

the age where in the main they take an active part in the operations of the Legion. Veterans who served in World War II are now in their fifties.

An effort has been made to build up this very bona fide organization not only so that it might serve the veterans themselves but also to serve the communities throughout Canada in which Legion branches are situated. It has been recognized that there could develop a very serious situation unless the Legion could be operated as a service organization in which not only veterans participate but also the sons and daughters of veterans and interested citizens in the community.

I am sure the fact that a new structure has been arrived at has caused a great deal of soul-searching. However, it is my pleasure that the members of this House have made extraordinary concessions in order to allow this bill to pass and to allow the Legion in a new form to continue its function in various communities. I think the Legion deserves the support of all the Canadian people. The program outlined at the last Dominion convention is an extensive one which involves many changes. This bill relates only to some of the changes. Members of parliament are to be congratulated for their understanding of the problems that have developed and for the support they are now giving for the new direction the Royal Canadian Legion is following in Canada.

Motion agreed to and bill read the third time and passed.

Some hon. Members: Six o'clock.

The Acting Speaker (Mrs. Morin): Is it agreed that we call it six o'clock?

Some hon. Members: Agreed.

At 5.20 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[English]

EXCISE TAX ACT

The House resumed consideration of the motion of Mr. Turner (Ottawa-Carleton) that Bill C-66, to amend the Excise Tax Act, be read the second time and referred to committee of the whole.

Mr. Cyril Symes (Sault Ste. Marie): Madam Speaker, shortly before five o'clock I began to speak on Bill C-66, the iniquitous bill proposed by the Liberal government to impose a ten cents a gallon gasoline tax on consumers. We in the NDP oppose this legislation on the grounds that we find it unjust and discriminatory.

I should like to examine the arguments of the Minister of Finance (Mr. Turner) whereby he attempts to justify

[Mr. Peters.]

this piece of legislation, and to show that many of the arguments that he puts forward rest on a false premise and, for these reasons the bill should be rejected.

The government has found itself in the position of having to raise some \$500 million over the next year to make up for a deficit in the compensation payments paid to the oil companies in eastern Canada in order to keep the price of oil in Canada below the international world price. At present the price of oil in this country is \$6.50 a barrel. On August 15 it will rise to \$8.50 a barrel. That is still below the international price, which ranges between \$11 and \$12 a barrel.

Because of the government's lack of a national energy policy, because the government has allowed multinational oil companies to move into Canada and develop this vital resource, we find that the companies' designed oil exploration and oil supply system will benefit them, not only in the short run but in the long run. These companies moved into western Canada once they found oil in the early 1950's, and then argued that because there was so much oil on hand they had to export it in order to raise enough revenue to continue exploring for more oil in the prairie region.

They could have exported this oil out of Alberta into eastern Canada if they had built a pipeline, but it was far easier and more to the advantage of these oil companies, which were subsidiaries of American parent companies, to export the oil to the United States. Because we did not have a pipe line built from western to eastern Canada, when the day came that international oil prices rose we found that eastern Canada, which depended on oil from Venezuela and the Middle East, was going to be forced to pay the high world price.

In the minority parliament, the twenty-ninth parliament, we in this party argued that it was completely unfair that consumers in eastern Canada should be paying a higher price than consumers in western Canada. We said that what the government should do, because the United States was paying the world price for oil, was to impose an export tax on western Canadian oil being shipped to the United States. It was this export tax that gave the government enough surplus revenue to compensate the oil companies in eastern Canada and keep the price of oil across this nation below the world price. That worked quite well.

We were able to keep the price of oil in Canada at \$6.50 a barrel for over a year and a half. But at the same time the government, at the urging of the NDP, began to undertake through the National Energy Board an independent analysis of the supply of oil on hand in this country, and the National Energy Board came out with a report last year which showed that we would be running short of oil by the early 1980's. Hence the government had to cut back on its oil exports to the United States, and as a result the money from the export tax declined. Therefore the government has to raise money to continue the compensation payments to eastern Canada. By this method it is hoped to keep the price across the nation as of August 15 at \$8 a barrel. So we have a problem.

The government needs about \$500 million in the current year to continue the compensation payments. So why then does the government choose the option of a ten cents a gallon gasoline tax? I think it is indicative of the predica-