

Excise Tax

The energy dispute in this country could be solved tomorrow morning by adding a nickel to the price of a litre of gasoline; 5 cents a litre and the problem could be solved, Mr. Speaker. The Liberal cabinet knows that, the Minister of Energy, Mines and Resources (Mr. Lalonde) knows it and the Minister of Finance (Mr. MacEachen) knows it. They do not want the conflict resolved as long as they can lead Canadians to believe that Alberta is the fall guy. The Liberal government does not want this energy dispute solved. It believes it can lay the blame for the energy conflict in Canada at the feet of the Alberta government. This is a lie; it is a deception. We could move to 75 per cent of world price at the wellhead and the government could have its 25 per cent share of that price. That could happen tomorrow morning by raising the price of gasoline by 5 cents a litre.

If this were done, Mr. Speaker, it would mean that revenues flowing to the federal government in the form of corporation taxes from the oil industry, would triple. The fiscal deficit could be reduced by \$3 billion. We would have 75 per cent of the world oil price at the wellhead tomorrow and the federal government could increase its revenues by \$3 billion and thereby reduce the fiscal deficit by \$3 billion. This would cost the Canadian people one nickel per litre more at the pump tomorrow morning.

In Toronto today, regular unleaded gasoline costs 36.7 cents per litre. At a downtown Ottawa service station the other night, I paid 42.3 cents per litre for regular unleaded gas. Mr. Speaker, 36.7 cents per litre is equal to \$55.30 per barrel at the pump and 42.3 cents per litre is equal to \$64.15 per barrel at the pump.

The world price for oil today is \$43 per barrel. That is what we are paying in Montreal every day, to buy 400,000 barrels of oil. If we take 75 per cent of the world price of oil, that is \$32.25 or half the equivalent cost of a litre of gasoline at 42.3 cents at the pumps. If we add one nickel per litre at the pump, we would be paying the equivalent of \$64.15 per barrel; and 75 per cent of world price of \$32.25 would be half the cost we are paying at the pump.

A price of 42 cents per litre would allow the federal government to move to the wellhead price of 75 per cent of world price. The Alberta government would have to reduce its royalty from 42 per cent to 35 per cent of the wellhead price. Other provincial governments would have to freeze their taxes at the present level. Is it too much to ask this government to raise the price of gasoline a nickel a litre so that it can solve an energy dispute costing 60,000 jobs and putting out of reach any hope of attaining self-sufficiency for the Canadian people? The federal government would triple its revenues. It would get 25 per cent of the wellhead price, and the oil industry will be able to get on with the job of finding oil. Yes, that is too much to ask because the federal government does not want to solve the problem. It is no longer a question of price or revenue sharing. The problem has nothing to do with price and revenue sharing. The problem is that the federal government wants to control the oil and gas industry, and it wants to do it two ways.

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It wants to take a royalty, which is exactly what the petroleum revenue and gas tax is. It is a royalty on a provincially-owned resource. The government then wants to distribute that royalty in the form of grants as the federal bureaucracy deems appropriate. The object is interventionism. This is government bureaucratic control. What we will hear is "line up at the public trough, fellows. We will tell you where to look for oil, and we will tell you if we like you and what you are doing. Maybe if you are a good Grit, we will give you some money to look for oil because we know where to find it better than you do". The federal government bureaucracy will be the oil finders in this country. They will take it from you with one hand and give it back to those they see fit with the other.

The other main objective of the National Energy Program is nationalization under the cloak of Canadianization. The government has made a lot of Canadians believe that this is Canadianization. It has nothing to do with Canadianization. The acquisition of Petrofina had nothing to do with Canadianization; it had everything to do with nationalization. It is a government-controlled, government-owned company. I say to the Canadian people, or to anyone who wants to listen, "do not be fooled by this Liberal government". The federal government can disclaim all it wants that its aim is not nationalization, but its actions and its legislation in every area confirm the government's intent to intervene in your life, to control your life and to control every aspect of this economy.

The National Energy Program is a tragedy. This statement has been expressed before by many other people. It is a tragedy for this country of staggering proportions. Not only does the National Energy Program deny Canadians the opportunity to be self-sufficient, it denies them the opportunity for an improved standard of living. It is burdening Canadians with the highest interest rates ever experienced in this country.

Hon. members may well ask, how does the National Energy Program relate to our high level of interest rates? We have high interest rates in Canada because we must follow the level of U.S. interest rates as long as we have to borrow money to cover our fiscal deficit and the debts we incur with other countries on trade. That is why we have to have high interest rates today. The governor of the Bank of Canada has said that. We cannot lower our interest rates. If we do, the value of the Canadian dollar will go down and our rate of inflation will go up. There is probably some consensus in this House on that point, if on no other.

But interest rates in Canada could be lowered by 5 per cent. Interest rates could be lower than they are now if the government took the following four simple actions. Our interest rates would be lowered by 5 per cent, perhaps not immediately but certainly within a period of one year. I will cite the four actions.

First, the government should move the price of oil to 75 per cent of world price which will reduce the oil import subsidy by \$3.5 billion. That is all the government has to do. People will have to pay a nickel a litre more at the pump. By doing that we can reduce the federal subsidy that we are paying for oil