

*Energy*

what the province of Alberta had to do with the Minister of Energy, Mines and Resources.

On March 1 there was a cutback and the increase in tax at that time was half a cent per litre. On June 1 there was another cutback and the increase in tax was almost three times that amount. Many people are asking why, because imports are down. There was a drop in imports in the first two months of this year. These are Statistics Canada figures which were given to me this morning. Year over year there has been a 16 per cent reduction in imports; consumption in February and March was down by 10 per cent. Over the weekend we saw Mexico cutting its price by \$4 and the United Kingdom by \$2. The financial reports of the government show that the various funds are \$250 million in surplus. The world picture shows greater conservation. It is expected that we will see more spill-over into Canada, so there will be less consumption in the country.

Also the minister's department has been calling companies, advising them that demand was down and, if this trend continues, there should be no need to import to the full extent of the second Alberta cutback. So why was there this significant price increase of last week?

**Mr. Baker (Nepean-Carleton):** Money, money, money.

**Mr. Wilson:** Let me close by saying that the deceit and deception of the advertisement of the Minister of Finance must ring a very, very sour note for those in the country who are struggling on insufficient incomes, knowing that the government would prefer to pay off foreign shareholders and commission agents rather than provide some small subsidy for the oil price increase caused by the government's inability and inaction. The Prime Minister said that drivers seem to be willing to pay for the high price of gasoline so that they can drive their fast cars. What about persons who have never driven fast cars and never have any intention or hope of driving fast cars? The only person for whom that comment makes any sense is the Prime Minister himself with his little Mercedes sports car which he drives around when he wants to have fun. That is the difference between the outlook of the government and those of us on this side of the House.

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

**Hon. Judy Erola (Minister of State (Mines)):** Mr. Speaker, it appears as if it is my turn to join in the debate on the usual negative motion of the hon. member for Kingston and the Islands (Miss MacDonald) dealing with petroleum pricing. I cannot help but observe that if we could capture and produce the gas from hon. members opposite, we would be well on our way to resolving the energy problems in the country.

Although the cost is admittedly high this year, it will level off over the next three years. In 1984 our projections indicate that the made-in-Canada oil price for petroleum will be substantially less than that proposed by my colleagues opposite in their ill-fated budget of 1979.

The hon. member for Etobicoke Centre (Mr. Wilson) mentioned the word "objectionable". I suggest that Canadians will

continue to remember the most objectionable tax of all, the 18 cents per gallon tax.

**Miss MacDonald:** It was 9 cents.

**Mrs. Erola:** I remind Canadians that this was to be over and above other scheduled increases. It would have clearly affected most those who could least afford it.

We on this side of the House are committed to establishing a made-in-Canada price for oil which will reflect our relative strength in the energy sector. Canadians know that the OPEC market price is an artificial one and that it has absolutely nothing to do with the cost of producing oil in Canada or, for that matter, in Saudi Arabia. It is a price arbitrarily established by a cartel which dominates the international petroleum market. The government's energy policy will ensure that future Canadians are not burdened by an insecure relationship to a foreign supplier.

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

**Mrs. Erola:** The Canadian oil substitution program costs are to be outlined by my colleague, the hon. member for Etobicoke North (Mr. MacLaren). It is the first in a series of initiatives designed to assist the Canadian switchoff from oil to some other form of domestically generated energy. Average Canadians in every region of Canada will benefit.

The hon. member for Vancouver-Kingsway (Mr. Waddell) suggested earlier that consumers were objecting violently to oil pricing in Canada and that they were not reacting positively. If the hon. member checked with his constituents, he would know that there is a great demand by people in every sector of Canada for the Canadian oil substitution program; it is working.

The hon. member for Etobicoke Centre mentioned the reduction of oil consumption in Canada in the first quarter of 1981. I should like to repeat those figures. In that first quarter, daily consumption dropped to 530,000 barrels per day as compared to 644,000 barrels on an average in 1980.

**Mr. Wilson:** Those figures are not correct.

**Mrs. Erola:** That is conservation; that is a reduction in consumption due to our National Energy Program.

I should like to point out, particularly for the benefit of the hon. member for Vancouver-Kingsway, the number of programs initiated by the government. These programs are largely unrecognized and perhaps even unknown to hon. members opposite.

First I should like to talk a moment about coal. There is no doubt that the importance of coal in the Canadian energy economy will grow in the next decade and that by the year 2000 production will exceed its current level by three to five times. Further, it is becoming increasingly obvious that in the near future—and certainly not any later than the mid-1980s—a comprehensive international market for coal will be operating.