

*Petroleum Products Controls*

business. We must consider the question of Quebec's relationship to the refining industry. There could be allocations of capacity. There ought to be over-all federal control as to where these refineries are to be built. We ought to ensure that refineries are built in such a way that they do not interfere with our balance of payments, with the capital flows in this country, and that they are of optimum size in order that we can produce gasoline and feedstocks at the cheapest possible price.

Some members may ask what we will do with the feedstocks. The United States obviously has adopted a policy of excluding our chemicals from their markets. In earlier days it was their policy to exclude our crude petroleum from their markets. Therefore, I think it is about time we made a firm statement saying that we are not prepared to export our products to that market, and if the United States want our assistance in the field of petrochemicals, they will have to take them in the form of manufactured feedstocks which are at a higher point of processing than crude oil. We ought to enforce that kind of policy or do something along that line.

I think Ontario, as well, will have to recognize some of the grievances of the west in the field of transportation and of tariffs. If we resolve the other difficulty to which I have referred, then it seems to me the question of tariffs and costs can also be resolved. We must also look at the question of freight rates, especially at equalized freight rates, to make sure that the disadvantages, under the present system, in the maritime region are removed.

Mr. Speaker, I come back to what I think is the central point in any discussion of oil and gas. If we are to talk about a two-price system, if we are to talk about how we allocate markets and about our pricing policies, then Parliament must make a political decision, in the best sense of the word. It must take into account the various grievances that exist in this country and find a way of resolving them. For that reason, I hope the government, particularly the Minister of Energy, Mines and Resources (Mr. Macdonald), will stop hiding behind the National Energy Board and using it as an excuse for not letting Parliament come to a conclusion and making a decision on this important item.

● (1740)

I congratulate the hon. member for Nanaimo-Cowichan-The Islands on his most timely motion, because of its urgency to this country.

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

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, in rising to speak on this motion, which is probably one of the most important subjects to come before this House, I feel I should begin with a word of caution. It is unfortunate that a subject as important as this has been coloured by a tendency on the part of hon. members to my left to become exercised and extremely negative on the question of the American nation and so-called big business.

I followed with interest the address by the mover of the motion before us today. I was rather startled to note what I feel was an unhappy, anti-American tone in much of his comment. Having said that, I believe the record should be put straight on a few points. In his motion the hon.

[Mr. Saltzman.]

member states that recent increases in the price of crude oil, gasoline and other refined products are viewed with concern by himself and, hopefully, by this House. We in the Progressive Conservative party also view with concern the rise in price of these products. It is time the hon. member and his colleagues accepted the fact that we should be agreeing that rising prices in this country generally are of concern to all of us. Members of the NDP, who have been exercised for some time about rising food prices, as of today has discovered that the price of gasoline, oil and other refined product is rising, yet to date they have consistently refused to co-operate with this party in suggesting, and in fact demanding that the government bring in wage, price and dividend controls in this country.

Let us try to solve the over-all problem of inflation in this country, as opposed to the nit-picking that the members to my left seem to like to get into. Let us be specific. The products to which they are referring were, at the end of April—these figures were released at one o'clock today by Statistics Canada—as follows: petroleum refining products had an index of 122.2. That is a little over an increase of one percentage point since January. Various fuel oils have been static so far this year, at 138.8 in the case of No. 1 fuel oil—kerosene stove oil and tractor fuel—and 143.3 in the case of Nos. 1, 2 and 3 light fuel oils.

Surely it behooves this House to accept the fact that the petroleum price increase is not the cardinal reason for our cost of living rising as sensationally as it has but, rather, many other rising prices are involved to which we have been pointing for some time. In April the index for all consumer goods stood at 147.3. We in this party have consistently drawn attention to the high cost of housing and shelter in this country. We believe this is a disaster, certainly in the Toronto area, for many people who have the worth-while and proper objective of wanting to own their own home. The issue of petroleum prices has two beautiful ingredients as far as the NDP are concerned, and that is why we are discussing it today. I suggest they look upon it as a red flag in the sense that it is American and, in their minds, big business.

I wish to deal with a few of the references made by the hon. member in the address on his motion. The hon. member who preceded me made the same type of references. They like to conjure up the image that international petroleum companies are among the worst devils in the capitalistic world. I am not particularly defensive of any of these companies, but I think it is wrong for the members of this House to hear and not object to certain misinformation. Among the 500 largest corporations in the United States, the profit picture with regard to the petroleum refining field was the least attractive in 1972 of any of the companies listed, with the exception of three categories—beverages, tobacco and mining. The petroleum refining industry, contrary to what the hon. member suggested, did not have a good profit increase in 1972.

It is wise to bear in mind that the petroleum refining industry has more assets per employee than any industry listed in the directory of 500 put out by Fortune. In 1972 it had \$126,775 invested per employee, compared with the next highest, the mining industry, with \$84,291 per employee. I hope the record will be set straight with