

Oral Questions

is aware of the fact that the research which has been done by federal and provincial officers has indicated that this increase alone will place between 30,000 and 35,000 jobs in jeopardy. Also, in view of the fact that circumstances have changed since the government embarked upon a policy of allowing the price to rise toward the world level, is this not the time, in order to cope with inflation and unemployment, to confine this increase to the point it had reached prior to January 1?

Mr. Trudeau: Mr. Speaker, of course, some of the petroleum we consume in Canada is produced in Canada. But the hon. gentleman knows that we have to import a sizable and growing quantity of petroleum. This is paid for at world prices. It is because the government has been bringing in external petroleum and has been subsidizing the consumer that Canadians have been able to purchase energy at lower than world prices. This is something the hon. gentleman understands perfectly.

An hon. Member: All oil?

Mr. Trudeau: Well "all oil" is pretty well all, Mr. Speaker. But the policy is well known to the Canadian people. They know they have benefited for four years from lower prices than world prices, in spite of the fact that we have had to import increasing quantities of oil from overseas. They have been subsidized to the tune of a few billion dollars by now, and Canadian consumers and producers have benefited from that action of the federal government.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my final supplementary is directed to the Prime Minister. The fact is that the government has not subsidized the consumer, but the consumer has subsidized it by paying a ten cents a gallon gasoline tax, and the export levy on oil sold outside Canada has enabled us to level out the price in Canada. Also, the fact is that the Canadian consumer now is being charged four times as much for oil as he was being charged five years ago, and the main beneficiaries have been the oil companies. The government's own report shows that over 50 per cent—

Mr. Speaker: Order, please. If the hon. member has a supplementary question, would he put it forthwith, please?

Mr. Douglas (Nanaimo-Cowichan-The Islands): Over 50 per cent of the oil companies' cash flow is represented by after-tax profits. I ask the Prime Minister whether, in view of that, he will at least insist that any increase in the price of oil be put into some type of fund to pay for exploration, rather than going into pockets of the oil industry which has resulted in the biggest rip-off in the history of Canada.

Mr. Trudeau: Mr. Speaker, that may be an argument, but it is based on erroneous facts. The first thing is that the export tax is not sufficient to pay the subsidy for the five eastern provinces who rely on imported oil. That is why we have had to charge all consumers the extra ten cents a gallon. It is in order to make up for the deficiency in the export tax. Second, the hon. member is quite wrong when he says the money coming

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

from the windfall benefits resulting from the actions of the OPEC nations has gone just to the oil corporations. It has gone in part, through increased taxes, to the federal government; but it has gone in large part to the Conservative treasury of Alberta and the socialist treasury of Saskatchewan. The hon. member knows that.

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● (1432)

ESTIMATES

DATE OF REFERENCE TO COMMITTEES

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the President of Privy Council. Has the minister initiated any conferences with House leaders concerning the allocation of the estimates tabled last Wednesday, so that House committees can start work? The rules provide that the estimates shall stand referred to the various committees, without debate, upon allocation after consultation among the House leaders. Has the minister held those conversations, and can he tell us when the estimates will be referred to the committees, because at the moment they are standing still doing nothing—like this government?

Hon. Allan J. MacEachen (Deputy Prime Minister and President of Privy Council): Mr. Speaker, the motion to refer the estimates will be made tomorrow.

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ENERGY

CONTROL OVER AECL IN INTERNATIONAL NEGOTIATIONS

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Since the public accounts committee report, tabled yesterday, on the Atomic Energy of Canada Limited matter states that the chairman, Ross Campbell, failed in his renegotiation of the Eisenberg agency agreement in that he failed to obtain an accounting of legitimate costs, and that he committed AECL to an exclusive agency agreement with Eisenberg for a second sale to Korea at an undetermined fee, what steps has the government taken to discipline Mr. Campbell or to ensure that he is kept under proper control in dealings where he might make costly or inappropriate arrangements on account of the taxpayers of Canada?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I do not accept the preamble to the hon. member's question. I think Ross Campbell has done a first-rate job for Atomic Energy of Canada Limited. He moved in at a very difficult time to clean up a very difficult situation. In the renegotiation of the contract which the public accounts committee has examined there was some suggestion that a significant fee would be payable in the event that a second reactor was sold to Korea. That was implicit in the hon.