

ANTI-INFLATION BOARD

REQUEST FOR DELAY OF DECISION ON APPLICATION OF OIL COMPANIES FOR A PRICE INCREASE—GOVERNMENT POSITION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is directed to the Minister of Finance. It arises from the application to the Anti-Inflation Board by such poverty-stricken oil companies as Imperial Oil and Gulf Oil for permission to increase their product prices. The Board has said it may make a decision this week. In view of the fact that the increase, if granted, would be in addition to any increase in the wellhead price expected in July, and since these companies control production, refining and distribution outlets, for which reason their various operations should be treated as those of a single corporate entity, may I ask the minister if he will request the Anti-Inflation Board to postpone any decision with respect to the application for a price increase until the wellhead price has been set either by federal-provincial agreement or unilaterally by the federal government under the provisions of the Petroleum Administration Act?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I was advised before coming into the House that the Board had made a decision on this particular application. I am seeking further information as to the details. The point made by the hon. member, one which I have already taken elsewhere, is that until a decision is taken in the negotiations with regard to the basic price of crude oil, any increase should be postponed. I will advocate that such a course of action be followed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Since the Consumer Price Index covering fuels and utilities has risen more sharply than the index respecting any other item—17.5 per cent during the past 12 months—and in view of the fact that the wellhead price increase in July, which is expected to be in the neighbourhood of \$1.50 per barrel, will add \$50 to the cost of home heating for the average family and \$35 to the cost of operating one car, I should like to ask the minister whether he does not think the time has come to stop these predators who, under the excuse of the energy shortage, are gouging Canadian consumers while at the same time enjoying the highest profit margins in their history?

Mr. Macdonald (Rosedale): The hon. member has expressed an interesting point of view, and one which I will reflect upon.

SUGGESTED AMENDMENT OF GUIDELINES TO TREAT ALL OPERATIONS OF OIL COMPANIES AS SINGLE ENTITY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Since the oil companies control most of the oil production, the pipelines, the refineries and the distribution outlets, may I ask the minister if he is prepared to amend the guidelines of the Anti-Inflation Board so that the operation of the oil companies may be treated as a single corporate entity rather than allowing them to increase the prices of their products before any announcement has been made or agreement reached with respect to the wellhead price? The minister says that the decision has already been made. I would ask the minister whether he is prepared to amend

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the Anti-Inflation Board guidelines so that this sort of thing cannot continue in the future?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, parliament has, for example, entrusted the surveillance of the tariffs on pipelines to the National Energy Board and the suggestion of the hon. gentleman that their jurisdiction be annulled and placed under the single board is perhaps one which might be reflected upon. Given the relatively slow pace of the anti-inflation legislation in the House up to this point, I am not certain that this could be achieved quickly.

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● (1440)

HEALTH

ASSURANCE OF VACCINE FOR SWINE FLU—REASON FOR PREFERENCE FOR IMPORTING VACCINE

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, in view of the reported further outbreak of swine 'flu in Virginia and its probable spread and consequences, I should like to ask the Minister of National Health and Welfare whether there has been any firm commitment from manufacturers that we will have the required amount of vaccine for the immunization of Canadian people, not only for the qualified categories, but for all those qualifying on doctor's certificates?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, negotiations are going on with various foreign sources at the present time. It would be premature to make an announcement in that respect.

Mr. Rynard: Mr. Speaker, I would ask the minister when he can make this statement and whether he has been in touch with the laboratory in Montreal, which can produce up to 300,000 doses, or with the Connaught Laboratory in Toronto, which could set up the machinery very quickly, and speed is of the essence?

Mr. Lalonde: Mr. Speaker, we have been constantly in touch with the two laboratories concerned and with other sources.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, the minister has indicated a preference for importing vaccine rather than producing it in this country. I wonder whether he can give us briefly the reason for that? Is it because the imported vaccine is less costly, or is there some other reason?

[Translation]

Mr. Lalonde: Mr. Speaker, there are several reasons; first of all, costs; second, the capacity to produce the vaccines by the time when we will need them; and third, the safety itself of the vaccines which could be in jeopardy if production in some cases were to be started from scratch.

[English]

Mr. Yewchuk: Mr. Speaker, I take it that the minister seems to be saying that Canada cannot produce good vaccine.