

companies were saying: "We have to ratchet the price of oil right now because it is going up". However, when the price is going down the Minister says that the product has to work itself through the system and that market forces are at work. That is excellent logic. The oil companies ratchet the price—

An Hon. Member: What does ratchet mean?

Mr. Gauthier: It means to ratchet up. That is what the Government has been doing with these taxes. That is how it gains income. It is affecting the consumers in the country to the extent that today they are paying through the nose for things they should be getting at a fair price, which was the idea at the inception of the National Energy Program. We assured Canadians that they would have a constant supply of oil at a fair price. Now, Hon. Members on the Government side should get their act together and tell the Minister to keep oil prices down. They should be telling their Minister to keep the price of gasoline down at the pumps as well.

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: Are there questions or comments? The Hon. Member for Calgary North (Mr. Gagnon).

Mr. Gagnon: Mr. Speaker, I have a comment with respect to the remarks made by the Hon. Member for Ottawa-Vanier (Mr. Gauthier). First, he should be congratulated on his remarks. I have never heard a speech with so many half-truths and so much misinformation. He has certainly shown that this is a subject about which he knows very little.

I would like to deal with some specifics. The PRGT is a unique tax on one certain extractive industry, that is to say the oil and gas industry located in western Canada. Can the Hon. Member point out to me a comparable tax which is levied on other extractive industries, such as the nickel industry in Sudbury, or the copper ore industry, or the iron ore industry which is found in Labrador and Quebec, or on the asbestos or gold industry? Is there a gold revenue tax? The Hon. Member must remember that this measure was simply a grab for a great deal of money—in fact, \$2 billion a year.

The second point the Hon. Member fails to mention is that the consumer receives the money. If he were to look at the facts he would see that part of the National Energy Program gave \$1.7 billion a year in dividends to the oil companies. Another \$500 million a year went through the system under the Petroleum Compensation Charges. Who received that money? Again, it was the oil industry. And the Hon. Member says that the consumer pays! The oil companies are the ones who have benefited the most, the Essos, the Gulfs, the Mobils, the Shells and the Domes—the big, big companies. All that and the Hon. Member has the nerve to say that the consumer pays. I suggest the hon. gentleman get his facts straight.

Mr. Gauthier: Mr. Speaker, the PGRT helped to pay for the PIP grants. I accept that, and I think it is a fact. The PIP was to encourage companies, especially Canadian ones, to explore and find new supplies of oil in areas which were not being explored through conventional measures by the oil companies

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at the time. I am thinking about the Canada lands and the offshore and the Arctic lands. Evidently, to encourage these large companies to explore lands in the north—

● (1540)

Mr. Dick: Drilling for money, not for reasons.

Mr. Gauthier: —we had to encourage them through the Petroleum Incentives Program.

Mr. Dick: All they did was drill for money. They drilled to get the money.

Mr. Gauthier: The Hon. Member says they were drilling for money. Does anyone else drill for anything else? They were drilling for oil and they found some—

Mr. Dick: Very little.

Mr. Gauthier: —which we now have—

Mr. Dick: Where are they putting it?

Mr. Gauthier: —and unfortunately with this Government it will be difficult to bring it down here because its policies are making them go bankrupt and getting out of there.

Mr. Dick: They love it.

Mr. Gauthier: That is the difficulty with this Government. It does not understand—

Mr. Dick: You don't know anything about the oil industry. Why don't you admit it?

Mr. Gauthier: —that basically at the time the program set in place was to make the PIP program available to industries so that—

Mr. Dick: Don't believe it.

Mr. Gauthier: —they did better and could better explore in Canada.

Mr. Dick: You don't know what you are talking about.

Mr. Gauthier: I think that assured Canadians of a constant and sure supply of Canadian oil and that was basically why the PGRT was put in place.

Mr. Dick: Mr. Speaker, I was interested to hear the Hon. Member for Ottawa-Vanier (Mr. Gauthier) talking about a subject about which he knows nothing.

Mr. Gauthier: I will admit I am not the expert you are.

Mr. Dick: I do not intend to get into it because I do not think I know as much as some of the people who live in the area where the oil is found. I will not try to embarrass myself by trying to talk about something I know nothing about.

Would the Hon. Member for Ottawa-Vanier not agree that when the oil prices were going up in the mid-1970s that his