

Petroleum and Gas

disabled, job creation, pensioners and a host of worthwhile projects.

It would be instructive, Mr. Speaker, to note that we are going to give Imperial Oil a cut in taxes. Over the last three years Imperial Oil earned something in the order of \$600 million. Throughout this recession period their earnings dropped to approximately \$400 million. In the last year they earned \$200 million and change. Many other businesses are experiencing severe problems and going bankrupt. The Seven Sisters, which have always done well in Canada, are continuing to do well. In this Party, Mr. Speaker, we find that offensive. Those companies are doing well off Canada, the Canadian people and their resources. It is our feeling that they do not carry their fair share and that the Government and the Conservative Party are quite prepared to see them do even better at the expenses of many others. We feel that the tax cut will not benefit the smaller Canadian companies. There should be direct programs to provide benefits to those smaller Canadian companies which we want to see active and growing. We are not impressed with a tax cut which provides the majority of its aid and relief to the seven sisters operating in this country. That is wrong and offensive.

The second thing is the absolute blindness in the Government's and the Official Opposition's position. They are prepared to give unconditional tax cuts. The Minister of State for Finance (Mr. MacLaren) said that he wants to improve and increase Imperial Oil's cash flow position. He wants to improve the cash flow position of the seven sisters. We are very concerned about that. We know from the Bertrand Commission that it is those same companies that ripped off \$12 billion from the Canadian people between 1958 and 1973. The Bertrand Commission was put in place by the Government to expose an enormous rip-off of the Canadian people. That Commission produced numerous results and recommendations. To date we have not seen one of those recommendations implemented. That is tragic, stupid and offensive. We have got to become very specific in the way we deal with major corporations in this country, which are continuing to profit and whose cash flow picture is better than almost any other company's. We could insist, if we are going to give them a tax cut, that it be tied specifically to their investment in projects that would create employment. There should be no tax relief, benefit or break unless it is tied directly to a specific job-creation project which will improve employment and the viability of communities.

Yesterday the spokesperson for the Official Opposition stood up in the House and told us about the problems of a gas plant in Grande Prairie. There are many examples of areas where we could tie tax cuts to corporations to specific projects. We could make it a condition to get a cash flow improvement at the expense of the taxpayers that it must be tied to a project which will create employment.

The third critical point on this particular break, Mr. Speaker, is that this is a tax break for oil companies. I do not know why the Government continues to have an absolute fixation on protecting banks and oil companies. It certainly does. How

Canadian people can tolerate that kind of a situation is beyond me. The present Government and the Official Opposition are interested in granting this tax relief only to oil companies. There is no attempt to see this tax break carried on down the line to the consumers. There is no effort by the Government to create a downstream tax relief program or to see any of these benefits passed on to the consumers.

It is extremely unfortunate, Mr. Speaker, that the Government has not developed a downstream policy. Every time we go to the gas pumps we see that the price of fuel is rising. Yet in the House we are going to authorize a tax cut to give major oil companies maximum benefits and improved cash flows without any guarantee that they will produce job-creation projects or that they will pass any of these benefits on to consumers, small businesses, fishermen or farmers. No one benefits except the oil companies. Mr. Speaker, that is wrong, stupid and offensive.

In our Party we would like to see the reverse happen. We would like to see the Government admit that its National Energy Program has created a tremendous hardship to Canadians and that it has not looked seriously at a downstream policy. There is no attempt to give some relief at the gas pumps.

● (1530)

Let us review what has happened. Whenever there has been agreement to increase the wellhead price, it would appear the oil companies have added a price increase as those costs were passed down the line. Currently there is no accurate method to determine what a justified price is for fuels such as gasoline, heating oil and others. The Government is not interested in what happens at the gas pump because it is more interested in bashing the provinces for it.

In reality it would appear that every time there is a price increase, the oil companies have not only taken a share to the producer off the wellhead price but have also added their own price increase that has gone to the gas pump.

The Government has also been absolutely negligent in its treatment of consumers by its failure to introduce a competition policy in the House. It has not introduced a policy that would protect the small independent gasoline dealers. We have seen the major oil companies attempt to drive them out of business, purchase them, cut off their supplies or launch price wars against them. It is very interesting to note what happens in a gas war. While we watch the major companies attack the independents here in Ottawa in a gas war they are simultaneously driving up their prices on Vancouver Island in order to pay for that gas war against the independents in Ottawa. They are making the people on Vancouver Island pay for these gas wars in other parts of the country. This means that the major companies never lose, no matter what they do.

The Government has failed to protect consumers by not insisting on a long-term pricing policy or a fair competition policy to protect the independent gas dealers. When will we see such a system that will permit a competitive force rather than the kind of tacit agreement with multinationals and major oil