

Oil Export Tax

mental to the whole discussion regarding domestic pricing. On the matter of domestic pricing the government has been going around in circles. First there was to be a five-month voluntary freeze. Some hazy extension was then improvised to last until the end of the winter. The government will not say when that will be.

Our position has been clear and consistent. I said it is unrealistic to look at an indefinite application of the voluntary freeze. I said increases in the price of domestic crude should be phased in and that we should be able to work out a method of keeping Canadian crude prices below international prices. I understood the Minister of Finance to say he thought it was inevitable that domestic crude prices would have to track international crude prices. I do not accept that view; I think we should be able to keep domestic crude somewhat below that.

Some hon. Members: Hear, hear!

Mr. Stanfield: In yesterday's *Toronto Star* the Minister of Energy, Mines and Resources is quoted as saying something to the effect that domestic prices will rise this summer to somewhere between \$8 and \$10 a barrel. That is the price of domestic or Canadian crude. If that were to happen, the government would be going from a policy of unreality that is simply talking about a continuing freeze to a pronouncement of the hardest of realities, with no explanation; that is, going from a freeze of \$4.50 a barrel for Canadian crude in Toronto to \$8 or \$10 by the summer. That would be going from a policy of unreality to a policy of the harshest of realities—with no explanation, no hint of an attempt to stage the increases and no clear indication as to how this \$8 or \$10 figure was determined.

● (1610)

In the same press interview the minister referred to some form of tax at the wholesale level to sponge away windfall profits made by companies engaged in the oil business. This, presumably, is another part of the package that this parliament and the provinces will eventually be asked to consider. What kind of tax does the government propose in addition to the present export charge? To what would the proposed windfall profits' sponge apply? How would it fit into the revenues required to hold some acceptable level between the prices to western and eastern consumers? More questions arise and more vacuums are revealed as we examine this bill. There are many unanswered questions, so many that obviously it is impossible to support this part of the bill in its present form.

I thought when the bill was introduced that it should have been split. The part dealing with the export tax on oil at the end of January could be passed very quickly. In spite of any reservations we might have both about the precedent of such a tax and the absence of consultation, and in spite of any reservations about its method of implementation, we would certainly not oppose the part of the bill relating to the export tax for the four-month period. But the part dealing with the ongoing export charge should not be dealt with until the government is prepared to come clean and deal honestly with us, is prepared to give us the answers that we need to make a considered judgment as to what is the position of the government.

[Mr. Stanfield.]

I remind the House that it was our desire from the outset to see these propositions dealt with separately. I endeavoured to achieve this by raising a point of order when the ways and means motion was presented. I do not know why the government has chosen to proceed by means of one omnibus-type bill. I do not see any real need for this practice, particularly when one part of the bill is as nebulous and unsupported by information as is the case here.

I do not know why the government is in such an all-fired rush to get this session recessed before the federal-provincial conference, before we have a chance to see what the package is and what arrangements are worked out in achieving a national oil policy with the provinces. I do not see any reason why detailed consideration of the export charge in the form of a separate bill could not be deferred till we have the answers that we need, indeed till following the federal-provincial meeting. If the government is not prepared to split the bill, then it should be prepared to defer the entire bill till after the federal-provincial conference.

There has been altogether too much confrontation and too little real consultation. There has been too much ad hockery, too little solid policy. There has been too much suspicion caused by too little information. I think that from time to time the Minister of Energy, Mines and Resources has tried to get back to real consultation in order to develop a national oil policy on the basis on which he used to say it should be developed—in consultation with the provinces. I think real progress has been made in getting discussions back to a more reasonable tone following the failure of the Prime Minister to evoke a response from the Premier of Alberta to his rather vicious attack upon him in Vancouver some weeks ago. I hope that the federal government has received an indication that this problem has to be discussed not in terms of vituperation but in terms of consultation. I think the Minister of Energy, Mines and Resources is working in that direction following a bad beginning. With the prospect of a new beginning that, hopefully, will result in a productive conference, it is all the more important, I believe, that the government take a reasonable and sensible attitude in the House on this legislation. I cannot accept it as either reasonable or sensible for the government to seek support for this double-barrelled bill on the basis of the information provided us today by the Minister of Finance.

We are looking ahead to three weeks which could be crucial weeks in the development of federal-provincial relations in this country as well as in the development of a national oil policy. If the government is really sincere about pursuing the path of consultation rather than seeking confrontation, for whatever motives, it could demonstrate its sincerity to me and my colleagues by following either of the courses I have suggested, namely, split the bill and defer the export charge aspect till after the conference, or defer the entire bill till after the conference.

There is no use pretending that this bill is not related to the balance of the package, because it is. It is obviously related to the question of domestic pricing. The export charge to be fixed by the government will be the difference between the international price as determined by the government and the domestic price. So these questions are