

*Petroleum and Gas Revenue Tax Act**[Translation]*

—what is called in French a “*manque à gagner*”, I am not sure what it is in English. So we are talking about a \$125 million less revenue in 1985-86. The Government will lose \$125 million in revenue in 1985-86, \$920 million in 1986-87, and \$2.449 billion in 1990-91. It means that the Government will have to get the money from Canadian consumers. It means that it will be forced to raise taxes, as it has done already. The sales tax increase from 10 to 11 per cent will generate just about enough money in 1986-87 to compensate for the \$920 million gift the Conservative Government gave to the companies through the PGRT. Consumers will pay \$930 million more in taxes, so it works out to the same thing. They take the money from someone's pocket and put it in someone else's pocket. All we have to know is from which pocket the Government likes to take the money.

An Hon. Member: From both pockets!

Mr. Gauthier: Well, it seems obvious enough. From both pockets! Hopefully the new Budget will do justice to corporate taxes. We hope, we do not know, but we will see. Maybe there will be some justice in the system one of these days, but right now the consumer is the one who picks up the tab and gives the money to the Government which hands it out to the oil multinationals. You will all have time to speak. Do not worry, we have plenty of time. You will have an opportunity to rise one after another and repeat your partisan spiels.

Mrs. Maily: Be objective!

Mr. Gauthier: Objectivity is my strong point.

[English]

In the same conference in Vancouver in March of 1985, which I referred to a few moments ago, the Minister told us, and I quote her again, “We can't be complacent that lower prices will continue over the long term”. Therefore we have to do two things. The first is to build protection for consumers if international oil prices surge. The second is to get on with the job of conservation. International oil prices are not surging. They are falling drastically. The consumer in Canada does not benefit, and the question is why not? I could read a whole series of articles published January 22, 23, and 24. “Oil prices continue to fall but not at gas pumps”. “We could wait months before gasoline prices drop”, Carney, *Toronto Star*. “Oil prices continue to fall but not at gas pumps”, *Gazette*. “Mulloney confuses PetroCan's role”, *Toronto Star*, and it goes on.

“Carney predicts lower prices at gas pumps”. “Rip-offs at the pumps”, *Calgary Sun*. “Excessive gas prices cost us \$8.5 million a day: Broadbent”. “Wilson won't lower PetroCan's gas prices”, the *Gazette*. I can go on, Mr. Speaker. In the *Toronto Star* today “It is true, it has the right colour, it is true”, on the headline. I am happy to see all my friends around here on a Friday afternoon. They are all welcome because we love to have these Friday afternoon debates. I was wondering if Petro-Canada would come across, as we thought it should, as it was intended it would. And for Canadians the window on the industry—

Mr. Marchi: Now it's the broken window.

Mr. Gauthier: It was to bring stability, it was supposed to assure adequate supply at fair prices. Remember, those were the things, a window on the industry, adequate supply and fair prices.

We see the oil prices tumbling and it is not easy to explain. I do not understand that. I am not an oil specialist. We look at the *Toronto Star* today and try and find out. Some of us have to rely on the newspapers to get information sometimes. I see where the oil prices on the world spot market have plunged below \$20 U.S. a barrel today, and that is \$28.13 Canadian at yesterday's exchange rate. While Canadian oil is now supposedly deregulated and reacts to world prices, Canadian light crude oil is priced between \$30.20 and \$30.80 Canadian. That is \$2.07 to \$3.67 Canadian above world spot prices.

We are not at this time reflecting what I thought was a mandate of Petro-Canada to be the window and to keep prices at a fair level. No, we are telling the Canadians the spot price, the heck with it.

The next question is how do Canadian oil companies set their price on the barrel? A journalist, Mr. John Spears of the *Toronto Star* asked the question how Petro-Canada sets its price for a barrel of oil. The answer of Petro-Canada was no response, “we are not talking”. Great help, that is a great window. As one of my Members said, somebody broke that window some time ago. No one at the Calgary head office of Petro-Canada, conceived as a window on the oil industry, could answer how, or explain for that matter how the price of a barrel of crude oil is fixed in Canada. He went to another company, Imperial Oil. In his own words, Imperial Oil Limited was more forthcoming. It has posted its price for crude lower than Petro-Canada at \$30.20 Canadian or about \$21.50 U.S. Again, a dollar and some cents above the spot market, the world price.

We wonder how these Conservatives, supposedly well informed Members of Parliament on the Government side can continue to support such a policy as transferring wealth from the consumers of Canada, the Canadian public in general, to those oil companies which will not have the decency to even give us an answer. I can see that you are indicating I have but five minutes left, Mr. Speaker. I think that I have unlimited time on third reading. I would appreciate if Your Honour would advise me as to how much time I do have since I have some notes I would like to go through.

• (1530)

The Minister told us that market prices were at work. She said that we have to rely on the market because the market sets the price. She told us that her Government believes in deregulation and in market prices. Some of us would like to know what the market is doing. We would like to be able to explain to our constituents why it is that when they get to the gas pump they have to pay a 58 per cent increase in taxes on