

iciency are just as strong and just as compelling now as they ever were.

Another aspect of the National Energy Program was to get a great deal of money into the treasury, and I think it will do that, but it certainly is not going to get as much as the authors of this policy originally thought.

Honourable senators, I shall only detain you a few minutes longer. I wish to say once again that if we wanted a made-in-Canada National Energy Program, if we wanted a made-in-Canada price for gasoline, heaven knows we have one. Whether we are satisfied with that or not is another question. When federal gasoline taxes have risen from 18 cents a gallon to 60 cents a gallon since the policy started, and headed to 77 cents a gallon next year, when the price of gasoline in Winnipeg—and I had better be right because Senator Everett is here, and if anyone knows the price of gasoline in Winnipeg, he does—is \$1.91 a gallon, but less than that in St. Paul, Minnesota on the date on which I checked, we have to see that there are certainly grave defects with respect to the policy enshrined in the National Energy Program, Marc I or Marc II. That incorporates some of the most unfortunate miscalculations as to the course of economic history, and we are enshrining them in Bill C-112.

The essence of the matter is that Bill C-112 imposes an unprecedented tax load on the energy users of Canada, which is needed to sustain an unprecedented program of spending. It is as clear as fate can be, and that is all on the backs of the Canadian taxpayer in the first instance, and on the backs of a gravely wounded energy industry in the second.

Intervention has not been an outstanding success in the National Energy Program. The problem of the planners was a simple one, and has been the same throughout the ages. It is not peculiar to Canada; it is everywhere you look. The problem of the planners was how to make their theories prevail over the reality. That is the problem, and when the theories get away from reality, you patch them up, bolster them and make little changes hoping by one means or another to catch up with the true facts of life as they disclose themselves, and it becomes more difficult as time goes on.

● (1510)

The advantages of the market system, to me at any rate, become even more marked when one compares them with the problems of planning as disclosed in the National Energy Program. I do not know whether we are learning anything from this rather expensive lesson we have imposed on the people of Canada. I, for one, hope that we have, and that, whatever may have been done in the past, we will have the fortitude to say that we recognize errors, we will correct them and we will get this country back on the path to development and prosperity.

Hon. Royce Frith (Deputy Leader of the Government): Honourable senators—

The Hon. the Speaker pro tem: I wish to inform the Senate that if the Honourable Senator Frith speaks now, his speech

[Senator Roblin.]

will have the effect of closing the debate on the motion for second reading of this bill.

Senator Frith: Honourable senators, first, I should like to answer two questions raised last evening by Senator Smith. His first question was with reference to the meaning of gigajoule. I could not give him the answer to that question at the time because I could not find the piece of paper on which I had the definition. One gigajoule is approximately 7.3 per cent less than 1,000 cubic feet. Thus, a tax rate of 63 cents per gigajoule translates roughly to 68 cents per thousand cubic feet. A gigajoule is a billion joules, and it is now the metric unit of measurement used in natural gas transactions between transmission companies and distributors.

Senator Steuart: Oh, my God!

Senator Frith: To answer in clearer terms Senator Smith's second question, the federal government lost a reference by the Province of Alberta, in the Alberta courts, on the reference question of the application of the gas tax to gas exported from three wells drilled by the Government of Alberta. As I mentioned earlier, the case was subsequently appealed to the Supreme Court of Canada, arguments have been presented and judgment has been reserved. The judgment is expected by the end of August.

Senator Roblin quite correctly identified Bill C-112 as an important part of the National Energy Program. It is, therefore, understandable that he would use the occasion to express his views in general on that program. No doubt he would find it understandable also that I do not share his views either as to the adjectives he used to describe the National Energy Program or his evaluation of its success or failure. I do, of course, accept—as he would expect me to—that the objectives of the National Energy Program were put into effect and had to be adjusted to meet the vicissitudes of such things as changes in the international oil supply and demand factors and, therefore, in price. He also, quite fairly, drew attention to the fact that the statement of May 31, 1982, effective as of June 1, 1982, represented an amendment or change in the National Energy Program, particularly with reference to those aspects of the program that are dealt with in Bill C-112.

Looking more directly at Bill C-112, as I mentioned, Senator Roblin used the fact that this bill is an important part of the National Energy Program to make comments on the question of gas prices. I should underline for honourable senators that, dealing specifically with this bill, it is here before us and is part of the National Energy Program more particularly as the implementation of the agreements made with the producing provinces. The tax and price structures that were referred to in Senator Roblin's speech are corollaries to the implementation of those agreements, agreements which I believe all parliamentarians urged the government to reach and that all parties hailed when they were reached. That is not to say that the comments made by Senator Roblin with reference to the attractiveness or desirability of those corollaries are irrelevant, because they are not. They must be viewed, insofar as this bill is concerned, in the context of the implementation of those agreements.