

for fuel oil for years. Now is the time for us to decide if we are going to equalize the prices and if we are going to charge every consumer in Canada a levy to allow the equalization of the price which Syncrude will get to the world price. I think it is about time we did something very small and insignificant, but very important for the consumers of this country, namely, we equalize the price of gasoline and fuel oil across the nation. I do not see any argument against that.

Not long ago a young chap came down here from northern Saskatchewan where they have some oil. He was very surprised to find that in Ottawa gasoline was being sold at a cut rate, that it was cheaper here than in northern Saskatchewan. I imagine that is also true of Alberta and that there are places outside the major markets where the price of gasoline is considerably higher than in Calgary, Edmonton, and some of the larger centres. I think the time has come when we should protest being discriminated against by the oil companies.

If the oil companies were operating on the free enterprise basis, I would have no argument, and they would be able to set their prices. But they are not free enterprise operations at all. From the point of view of a free enterprise operator, if you can get 70 per cent of the capital and only have to give 30 per cent of equity, it is probably a pretty good deal, but nobody in their right mind would call that a free enterprise operation. We are subsidizing Syncrude, and we are subsidizing the whole oil industry.

Who will benefit from Syncrude? Benefits will flow to Imperial Oil and the other oil companies rather than to the governments involved. There will be no benefits flowing to average Joe Citizen. It is the average citizen who should be benefiting. We should develop some equality in this country, and one place where that equality is needed is in the price of gas.

Because of subsidization, you and I contribute to the public transportation system in Montreal, Winnipeg, Toronto and Vancouver. We have assisted them in moving around in their areas, but in 90 per cent of the land mass in this country, where probably 30 per cent of the population is affected, a car is not a luxury, a furnace is not a luxury. These are absolute necessities in our nation, and I see no legitimate reason for people in some areas of our nation having to pay more for gas or fuel oil than in others. I should like some hon. members to rise and tell me why I am wrong. I see no legitimate reason for that, if we are willing to subsidize oil companies—that is exactly what we are doing in this operation—we are not subsidizing the users of oil.

If we wanted to subsidize the users of oil we would have put 100 per cent into Syncrude and we would have distributed 100 per cent of the oil extracted by Syncrude at whatever price we wanted. Another way of doing it is to equalize the price of oil to all Canadians regardless of where they live. But we have the Liberal government trying to accommodate both the free enterprise system and the government corporation. I see nothing wrong with that kind of cooperation, but surely what we are doing is giving the corporations a handout.

Energy

It would be reasonable, and no businessman would object to it, if I put up 70 per cent of the capital to develop the operation and got 70 per cent of the equity. The difference, or 30 per cent, on which we do not get equity, would give us the few cents necessary on the total volume of gasoline used in Canada to make gasoline prices equal all across the nation. You can only drive a car so far and burn that much gasoline, but the same is not quite true of tractors and farm equipment.

In the last year, farmers have had an increase of approximately 75 per cent in their fuel oil for farm equipment. This has become a huge operation. We have not subsidized our farmers and we did not tell them they could raise their prices to recoup their losses. Farmers are not able to reclaim that increase in fuel oil which has become part of their cost of production. Each and every Canadian wants farm prices to remain low so that we can distribute food to all Canadians at a reasonable price. But we have not subsidized farmers and their fuel costs although we are subsidizing the oil companies.

Let us look at it realistically. We are not talking about a large amount of money. We are certainly not talking about anything like the 40 per cent we have put in, and much of this money continues to be paid out. Our payments will not remain at 40 per cent. As the minister says, we will have to increase it every time there is an increase in the world price. A levy will be paid by all Canadians to ensure that this operation is maintained at the world price.

I would like to hear members argue why they do not believe in the Eaton's catalogue principle. I think they would all agree that if you lived in Carp, you would be paying six, seven, or eight cents more for gasoline than in Ottawa. They would agree that half a cent more on the gasoline price in Ottawa would cover Carp and all the other little communities around Ottawa. It does not take much more because some people living in Carp find that they can drive into Ottawa, buy gas here, go back to Carp, and still make a saving. It does not take much to equalize the price of gas. If we are really interested in providing equality, let us provide it for everyone, not only for the oil companies so that they can develop a synthetic product from a new source, which we all agree they should do. At least some of the subsidy should go toward equalizing gasoline prices and, if I had the opportunity, I would dearly like to move such an amendment and divide the House on it.

[Translation]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to make a very brief contribution to the debate on Bill C-19, which is of interest to every Canadian, whatever his province of residence. The general public is not adequately informed about the real volume of oil reserves contained in our land. I am at a loss when I see reports from highly intelligent and educated persons who seem to be able to tell us with confidence that there is enough oil to satisfy Canada's needs for so many years, while other scientists as knowledgeable as anybody else tell us those reserves are inexhaustible, non renewable yet immeasurable.