

Canada Oil and Gas Act

strongly. We object when people start saying that everything is so wonderful about Petro-Canada. We want Petro-Canada to have a fair deal, but we want that company to be fair with the people too. Why did not Petro-Canada buy Petrofina in the ordinary way? Why did not Petro-Canada get the money and then buy Petrofina through its profits? Petro-Canada decided to do it the other way, and now the Canadian people pay an extra 3.6 cents on every gallon of gasoline purchased. The \$1.46 billion paid to take over Petrofina will be raised by the 3.6 cents paid on every gallon of gasoline. No matter where people buy gasoline, whether from an Esso station, a Gulf station, a Phillips station, a PetroCan station, or any other station in Canada, we will all be paying this Crown corporation so that PetroCan can own Petrofina stations.

People should remember when they buy their gas at the pump that they are paying an extra 3.6 cents on every gallon for the purchase of Petrofina. For example, if a person purchases 500 gallons or 1,000 gallons of gasoline a year they are also paying 500 or 1,000 times 3.6 cents extra a year. People should not have to pay this extra amount, but the Canadian government permitted PetroCan to buy Petrofina and allowed PetroCan to pay for it by charging every Canadian at the gas pump. This did not bring one additional gallon of gas into our objective of oil self-sufficiency by 1990 or any other year. Simply a line of gasoline stations was purchased. The government is charging every Canadian for this purchase, and it is a taxation which is completely unfair.

Contrary to what the hon. minister has said in this House, Canadians are not happy with this purchase at all. One out of every 100 Canadians will tell you that he is not happy about paying an additional 3.6 cents on every gallon of gasoline so that PetroCan can own Petrofina. If Petro-Canada wanted to buy Petrofina, Petro-Canada should have done it the regular way. Petro-Canada should not have used dollars in the pockets of ordinary people, many of whom cannot afford it.

Some hon. Members: Ah!

Mr. Taylor: Do hon. members realize when they say "ah" there are many Canadians today who use their cars to get to work, perhaps to take their wife to work and their youngsters to school? On every gallon of gasoline they purchase, they are paying an extra 3.6 cents so that we can have more Petro-Canada service stations. It will be more than that before this whole thing is over. Liberal members try to justify this to the people of Canada.

I just want to deal with one aspect. This clause gives us the opportunity to show exactly what the Minister of Energy, Mines and Resources (Mr. Lalonde) is doing. When we give him power like this, he can simply direct a Canadian corporation to do a job, and it does not matter how much money a small Canadian company on the spot has spent in finding oil or gas. The minister can designate Petro-Canada to skim off all the cream and all of the profits. This is not right, nor is it a safeguard for Canadians. It is simply another totalitarian act by a minister who is telling one company that it will be

favoured. This has already happened. That company has already been given 136 million acres.

We talk about competition. There is all kinds of room for competition in the north, but there is no competition under this act. Everything favours one particular company. That favouritism will be to the detriment of Canada. It will discourage investment. It will discourage investment by many people when they get that kind of a deal in the north.

We are talking about the price of gas in Canada today. This is very relevant. When the Liberals were returned to power in 1980 they promised that gas prices would not rise, that they would stay lower than 18 cents. Look at what has happened. Since the Liberals were returned to power in February, 1980, gas prices have risen about 8 cents a litre, or 36 cents a gallon. Liberals campaigned, particularly around Ontario and Quebec, by telling people how bad it would be for Canadians to pay an extra 18 cents a gallon. The PC government was being honest with the people. The country needed the money. We wanted to start paying our way.

That is not the story the Prime Minister (Mr. Trudeau) and others told in Ontario. They said things such as: "We will not charge you as much as those terrible Tories." That is the story the Liberals told.

But the record tells the real story. Let us take a look at it. On August 1, 1980, oil prices rose by \$2 a barrel, causing consumer prices to rise by 7.2 cents a gallon on October 1, 1980. On November 1, 1980, petroleum product prices increased by about six tenths of a cent a litre, or 2.7 cents a gallon, because of an oil import compensation tax of 80 cents on each barrel of oil. The import tax was announced on October 28 as a means of getting consumers to start covering the cost of subsidizing eastern Canadian refiners for the difference between the domestic and foreign price of oil. This was an additional 2.7 cents a gallon.

I was amazed this afternoon when the Minister of Energy, Mines and Resources, in answer to a question from this side, said that the Tories were asking for higher prices for Canadians. We were asking for a fair price for Canadians comparable to what we were paying foreign importers. That is all we have ever asked.

Some hon. Members: Oh, oh!

Mr. Taylor: It was not right at all. I defy anyone to say that it was right. I defy anyone to honestly say that it was right for Canada to be paying \$45 and \$50 a barrel for Mexican and Iranian oil and only \$18 a barrel for oil produced in our own country. There is no logic in that. Canadians right across Canada paid because the federal government took so long to come to its senses and enter into an agreement with the province of Alberta.

On January 1, 1981, the import compensation tax increased by \$2.50 a barrel, adding another 9 cents a gallon to prices. On March 1, 1981, prices increased by 3.6 cents a gallon as a result of a \$1 increase in the wellhead price of oil on January 1 imposed by the federal government. On March 2, 1981, prices