April 17, 1978

tion parties on the suggestion that we should give speedy passage to the bill standing in the name of the Minister of Labour (Mr. Munro) having to do with the Canadian Centre for Occupational Health and Safety. I should like to explore further the suggestion made that we deal with the tax discounting bill. If that can be done, I will call that bill, followed by the export development bill, and then resume the budget debate tomorrow.

Mr. Knowles (Winnipeg North Centre): Tell us about Wednesday.

Mr. MacEachen: And Wednesday.

• (1532)

GOVERNMENT ORDERS

[English]

POSTAL SERVICE OPERATIONS ACT, 1978

MEASURE TO ENSURE CONTINUATION OF REGULAR POSTAL OPERATIONS

Hon. John C. Munro (Minister of Labour) moved that Bill C-45, to provide for the continuation of regular postal service operations, as reported (with amendments), from the Standing Committee on Labour, Manpower and Immigration, be concurred in.

Motion agreed to.

Mr. Munro (Hamilton East) moved that the bill be read the third time and do pass.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Mr. Knowles (Winnipeg North Centre): On division.

Motion agreed to and bill read the third time and passed.

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PETROLEUM ADMINISTRATION ACT

MEASURE TO AUTHORIZE IMPOSITION OF LEVY ON DOMESTIC PETROLEUM AND IMPORTS

The House resumed, from Monday, April 10, consideration of the motion of Mr. Gillespie that Bill C-19, to amend the Petroleum Administration Act and the Energy Supplies Emergency Act, be read the third time and do pass.

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I will be fairly brief at this stage of the debate on the Petroleum Administration Act. The purpose of the bill before us is to Subsidize Syncrude, in order that it may receive the world price for its product from the Athabasca tar sands. We in the New Democratic Party objected to the Syncrude project when it came before the House of Commons for ratification, because

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we considered it to be a sell-out of the interests of Canadian consumers. Also, we feel this bill is a consequence of the Syncrude deal. It is detrimental to Canadian consumers in that it means, because the domestic price of oil is not at the world price yet, whereby Canadians have had some relief from inflation, that Syncrude, unlike any other oil company or energy undertaking, will be given the world price for its product.

The only way it can be guaranteed the world price, which is higher by approximately \$2 or \$3 per barrel than the Canadian price, is to institute a levy on all other energy oil products and thereby compensate Syncrude. We know what the escalation of the price of oil and its products has meant to the Canadian economy. We have seen the price of oil, which was about \$3 a barrel in 1972, continue to escalate upwards to around \$13 a barrel today. It will continue to increase to the world price of \$15 or \$16 a barrel.

The escalation in price has had a tremendous impact on Canadian consumers. It has meant our food has become more costly, because farmers are some of the greatest users of energy. It has meant our manufacturing has lost some of its competitiveness in world markets because fuel costs increase the price of goods. It has meant the consumer has had to pay more in practically every area of purchase because energy costs are involved in some way or another. Now the government has come before the House of Commons to increase that consumer burden even more, by giving a special favour to Syncrude which no other company in this country has. It will not stop there, because the projections concerning the price of oil at the world level rising to \$35 or \$45 a barrel over the lifetime of the Syncrude project indicate how Canadians, using oil from that plant, will continue to pay the cost year after year. This bill is really after the fact. It is a legislative implementation of a contract signed between the Government of Canada, the governments of Ontario and Alberta, and the Syncrude consortium.

We must look at the impact of inflation on this country, despite the anti-inflation program instituted by the government. In October 1975, when the anti-inflation program was brought in, inflation was approximately 9.5 per cent. Last week, when the program officially came to an end, inflation was approximately 8.8 per cent or 9 per cent. Thus, we see that the program has failed to control price increases in any significant way. One of the reasons it has failed to do so is the year by year increase in energy prices to which the government has committed itself. On top of that year by year increase in prices, now we will levy on the consumers of Canada an additional charge, so that one particular company can receive a special favour which was negotiated a few years ago.

The government's record in terms of energy policy is a dismal one. The government was convinced by the oil companies in 1973 that we did not have to worry about curtailing exports to the United States. I think of the annual report of Imperial Oil which indicated that we had hundreds of years of domestic supply of oil ahead of us. When the price of oil went up world-wide, because of the OPEC consortium, suddenly the