

Oral Questions

action from the government before these jobs are permanently lost?

Hon. Bryce Mackasey (Minister of Consumer and Corporate Affairs): Mr. Speaker, I brought the matter to the attention of the director for investigation the moment it was brought to my attention, which was, frankly, yesterday morning and not before. The director has the case in hand. He fills, as you know, a quasi judicial function. His first job is to make certain that our law is as the hon. member presumes it to be and as I presume it to be. He is seeking information from the United States. If he finds that the Department of Justice of the United States has interfered to the degree that it could cost jobs to Canadian subsidiaries, then I suggest it is about time for this government to do something to prevent any such further interference with the domestic scene, because we need all the jobs we can get in this country for Canadian workers. We do not want that type of inference by a foreign country, particularly if it is in clear violation of our laws. However, we want to make sure what are the facts.

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[Translation]

FINANCE

PROPOSAL BY ONTARIO TO ADOPT TWO-PRICE SYSTEM FOR OIL—GOVERNMENT POSITION

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to address my question to the Minister of Finance.

He announced a readjustment of oil prices within a few months so as to keep them in line with world market prices. Now, quite recently, yesterday or the day before, the premier of Ontario suggested a two-price system, for oil namely one which would prevail on the home market since we are entitled to pay below the international rate, being ourselves oil producers, and the other on the international market.

Is the Minister of Finance aware of this solution? Did he contact the Ontario premier? Is he in a position to advise us whether or not the government is prepared to consider this dual pricing to safeguard and protect the interests of the Canadian consumer?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I am aware of this suggestion but it is my colleague, the Minister of Energy, Mines and Resources who held talks with his Ontario counterpart. Perhaps the hon. member may wish to put his question to him.

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● (1430)

ENERGY

PROPOSALS BY ONTARIO TO ADOPT TWO-PRICE SYSTEM FOR OIL—GOVERNMENT POSITION

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I would like to direct a supplementary question to the Minister of Energy, Mines and Resources.

This is the same question. I would like to know whether there have been communications between his department and the government of Ontario about the adoption of a two price system for oil, that is a Canadian price for Canadians and an international price, with a view to protecting Canadian consumers and allowing them to pay less than the international price?

[English]

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, as the hon. member knows I am sure, of course, we already have a two-price system. We have one price for Canadian consumers, which protects them against the international price, and we are selling our oil at international prices. The proposal that the Ontario government has put forward is a very complicated system which would deal with the various elements in a very complicated way and would not provide any additional funds for the exploration and development of Canadian resources which in my view are desperately needed.

[Translation]

Mr. Caouette (Témiscamingue): I want to ask a supplementary question, Mr. Speaker.

Is the minister in a position to give details? I understand he has just told us there now exists a two-price system, one price for eastern Canada and another for western Canada, as we have a two-price system in the north of the province of Ontario. In Rouyn we pay for gasoline about 14 cents a gallon more than in Kirkland Lake, and these two places are only 50 miles apart. That is a two-price system. But this is the point I want to make . . .

An hon. Member: It is the difference between Whigs and Tories!

Mr. Caouette (Témiscamingue): If you do not believe me, come and you will see that it is how things are.

Mr. Speaker, I want to know whether Canadian consumers can draw any benefits from the development of their own natural resources. That is where we would like to see a two-price system, in which there would be one price for Canadian consumers and another, an international one, for the other countries, in order to make transactions with other countries and protect Canadian consumers. Is the minister in a position to say whether steps are being taken to achieve that?

[English]

Mr. Gillespie: Mr. Speaker, the government has taken steps to protect the consumer ever since the oil price increase in 1973.

Some hon. Members: Oh, oh!

Mr. Gillespie: For those who would laugh, just let me mention that the bill, in terms of the subsidy for the Atlantic provinces alone since the start, will be by the middle of this year very close to \$1 billion. The hon. member probably has not made the important distinction between retail prices which are governed by the market arrangements within the provinces and which are not under the regulation of the federal government. The federal government has provided to Canadians one price. It is \$8 per barrel at the wellhead which is roughly \$4.50 below the