

Energy

brings in the Petroleum Administration Act and thumps the provinces? Canadian consumers are about to say: Well, a plague on both their houses.

Mr. Lalonde: What would you have done?

Mr. Waddell: The minister asks what I would have done. I would have continued negotiations with Alberta and I would not have invoked the act. I think he invoked the act too soon. He could have continued negotiations with Alberta. Alberta indicated it was not going to take that kind of measure. The invocation of that act, coming as it did right after the budget and with the constitutional proposals, made what I would like to call an overreaction on the part of Alberta inevitable.

Let me continue by noting what the government has done in monitoring the industry's profits. There has been an ineffective, toothless monitoring of the industry and profit levels have never been higher. Imperial Oil's profits are up 70 per cent to \$680 million. The government has done nothing about that. Last March the companies piggybacked a 6-cent a gallon increase, and surveys show that the consumers' price of gasoline after it was all finished went up 55 cents to 60 cents a gallon. If the federal take was 35.5 cents a gallon and provincial sales taxes accounted for five cents to eight cents a gallon, then the companies were in the trough for another 15 cents to 20 cents per gallon, representing \$2.4 million a day.

What is the government prepared to do about that? Is it prepared to look at those prices and, if they are unjust, roll them back if necessary? If Mr. Bertrand's report was right, is the government prepared to take some action to give consumers a break? Is the government prepared to make these companies which had illegal profits, if they were illegal, disgorge those profits? That is not what the government is prepared to do.

My conclusion about what the Liberals have done since being elected is that we have to look at their actions and not their promises. They brought in higher prices without really doing anything, not even bringing in the energy tax credit the Conservatives suggested—and I will get to that in a moment—even though it was a weak tax credit. This government has not even brought that in but has allowed fairly substantially higher oil prices for the oil companies.

I want to spend a couple of minutes discussing what the Conservative policy has been, in view of the fact that they have brought this motion forward. One has to look very closely at what their budget tended to do. Their budget was for high prices, high prices, high prices; it was literally following Alberta hook, line and sinker. That party literally associated itself with one producing province and really bought a bill of goods, tying our price into a world price war. That was the position the Conservative party took.

As much as I personally admire the hon. member for Kingston and the Islands and her concern for low-income people and pensioners, the fact is that the Conservative budget was really going to hurt, and hurt badly. The way it was to work reminds me of a mouse trap. There was a little bit of cheese in the beginning in that there was to be a \$4.50 increase

in 1981-82; but in 1983 the trap would slam shut, because there would have been an increase of \$25 a barrel in the one year bringing the price up to \$47 a barrel, and that does not include the excise tax on gasoline. The total impact would have been just tremendous. In 1981 the increase would have been 42.5 cents per gallon, in 1982 there would have been an additional increase of 24.5 cents a gallon, and in 1983 the consumers would have faced an increase of \$1.75 a gallon. Who would have been the winners? I suggest they would have been the producing provinces and the foreign-owned oil industry, the same industry which has taken \$3 billion out of this country in the last five years in dividends and credits.

I put it to members of the Conservative party to my right that the tax credit they speak about in their motion today would have been meaningless next to the \$1.75 per gallon increase in 1983. I do not think Canadians are fooled by this.

Second, Canadians were not only not fooled, but they were not amused by the changes the Conservatives made in their policy on Petro-Canada. The minister quoted from Jeffrey Simpson's book "Discipline of Power" so I will not quote from it except to say, Mr. Speaker, that you will see a reference to the Wilson committee on Petro-Canada and what some of the Conservative proposals were to privatize that company. I do not think Canadians believe in that or would accept it for a minute. When the Petro-Canada signs go up around these Parliament Buildings here in a few months, I predict that Canadians in this city will rejoice. They are going to say that the NDP was right in pushing the government at all times to expand Petro-Canada. They will be proud of those signs, proud that it is a Canadian government oil company and will show their pride by patronizing those stations. I predict that will happen in Ottawa in a few months.

I would like briefly to say something about the directions the NDP think should be followed. I suggest, first of all, that Canadians have difficulty paying more for gas. I suggest they are not against that in principle, but it comes at a very bad time; we have inflation, prices are going up and the economy is troublesome. What we suggest, to begin with, is that you cannot divorce the pricing issue, with increased prices for gasoline and home heating oil, from the economy as a whole. If a person in Newfoundland, St. Catharines or in my riding of Vancouver-Kingsway is not working, he cannot afford to pay higher prices. If that worker is paying increased costs because of inflation, he has difficulty paying higher prices for gasoline.

I suggest most Canadians are prepared to pay higher prices, and I have said this before in the House, but they want to make sure that the money that comes out of their pockets does not go into the pockets of the multinational oil companies, but goes back into making this country energy self-sufficient and into public ownership of these companies.

• (1630)

They also want to be assured that there is some cushion. To the hoots and howls of my friends next to us, I suggested in the House of Commons the other day that there should be a cost of living allowance. A component of that would be an energy