

*National Oil Policy*

I emphasize that I regret that the price has gone as high as \$6.50 per barrel. It would have been much better for Canadians if the price had been lower and the producing provinces had received part of the export tax, because their revenues would have been the same and the Canadian consumer would not have to pay more. I cannot say what first minister was of one view and what first minister was of another, but simple arithmetic tells me that a price of \$5 for a barrel of oil and a portion of the export tax would have produced as much for Saskatchewan as it will get for the \$6.50, and perhaps a few cents more. I must therefore conclude that it is the other producing province which insisted on the higher price.

**Some hon. Members:** Oh, oh!

**Mr. Andre:** Who writes your speeches?

**Mr. Lewis:** Mr. Speaker, simple arithmetic—

**Some hon. Members:** Oh, oh!

**Mr. Lewis:**—and my knowledge that the Premier of Saskatchewan is a very logical person led me to that conclusion.

When we speak about petroleum prices we are not merely talking about an increase in the price of gasoline or heating oil. We are speaking about an increase in the cost of production to the farmer and to the fisherman, and about increased costs of production to other industries that use oil. We face, as a result of the increase of \$2.50 a barrel, an increase of more than one per cent, direct and immediate, in the cost of living for the people of Canada. Therefore I would have preferred a substantially lower price, coupled with the producing provinces receiving part of the export tax revenues since they are not now getting a penny of them. What is happening is that consumers west of the Ottawa line are really paying for the subsidization east of the Ottawa line, which of course we support without any reservation. One oil policy for Canada is an objective which every Canadian ought to support.

**Mr. Trudeau:** But you don't want to approve it.

**Mr. Lewis:** My second point is that this increase in price will be an additional bonanza for the profits of the multinational oil corporations which already are making immense profits. Again I must point out that this is not true of corporations operating in Saskatchewan.

**Some hon. Members:** Oh, oh!

**Mr. Lewis:** If hon. members to my right in the Conservative Party did not feel so guilty, they would not be making all this noise, Mr. Speaker.

**Some hon. Members:** Hear, hear!

**Some hon. Members:** Oh, oh!

**Mr. Diefenbaker:** Mr. Speaker, I wonder, since the hon. member has mentioned the companies in Saskatchewan, if he would permit—

[Mr. Lewis.]

**Mr. Speaker:** Order, please. May we have order, please. The right hon. member for Prince Albert seeks the floor, I assume for a point of order.

**Mr. Diefenbaker:** No, to ask a question.

**Mr. Speaker:** If not, the hon. member for York South has the floor.

**Mr. Lewis:** I said that these additional profits would not apply to multinational corporations in Saskatchewan. The legislature of Saskatchewan has already passed an act which takes all revenues above \$3.38 per barrel into the public treasury. Every penny of the additional price in Saskatchewan will go into the public treasury for the use of the government and the people of Saskatchewan. But that is not the case in Alberta. Undoubtedly, a very large proportion of the additional price will go into the pockets of the multinational corporations to add to their already enormous profits. In our opinion there is not the slightest justification for adding hundreds of millions of dollars to the profits of multinational corporations already making immense gains out of the resources of Alberta and of the people of Canada. I say that this fact makes more urgent than ever reform of our tax system to eliminate all concessions to the multinational corporations and to tax much more of their profits than we now do.

The next point I want to make is that we now have in Canada a two-price system for both oil and wheat produced in the western provinces. I believe the time has come for us to look seriously at the possibility of a two-price system for steel, lumber and similar basic commodities which enter into the cost of production and the cost of living of all Canadians so that we can do something effective. Although we cannot remove inflationary pressures, we could do something effective about them.

The last point I want to make is this. When the Prime Minister had finished the last paragraph of his statement, I said not very loudly, "Amen". He emphasized that even since 1968 the government has been committed to removing regional disparities in Canada and to dealing with such problems as transportation and other matters which cause eastern, northern and western Canadians to suffer from the concentration of economic activity in central Canada. I say to the right hon. gentleman that as far as words are concerned he is right. His government has been committed in words to the removal of these disparities. But, almost exactly six years later, the steps in the direction of removing the disparities have been small, almost invisible. The time has come to replace words with legislation and action that will improve the life of people in the Atlantic provinces and in northern and in western Canada.

● (1440)

**Some hon. Members:** Hear, hear!

**Mr. Lewis:** As I said at the beginning of my remarks, as a Canadian I am glad the first ministers were able to reach, if not an agreement, at least a consensus which all of them were prepared to accept. I judge from the press conference of the Prime Minister yesterday that is a more accurate statement, that they were ready to accept this even though it was not in all cases acceptable. I regret,