

Royal Assent

Canada is being monitored by our Director of Investigations and Research because the Corporation will not let the U.S. buyers of its refinery at Come-by-Chance in Newfoundland sell petroleum products to the majority of Canadian consumers.

The Minister could also answer that there are price wars in various communities in Canada. He is comparing apples and oranges. Price wars are fought by gas retailers, not by the oil companies. If an oil company were found to be supporting a price war for the purpose of eliminating a competitor, or if the oil company were setting the prices to be charged by the retailer, it would be a direct infringement of the Combines Investigation Act. Consequently, when the Minister is talking about price wars, he must realize, if he knows anything about the subject, that retailers pay the price of these wars. The retailers are stuck between the consumers and the big oil companies that lease garages and sell their gas at high prices. The Minister ought to know that generally speaking, gas retailers do not make money selling gas. They make money on other activities such as car repairs and towing services.

The Canadians who elected us, Mr. Speaker, have a right to expect their Members and Ministers to uphold our laws. But they also expect leadership from their Ministers. And when a Minister hides behind legalistic arguments like the Hon. Member for Calgary Centre (Mr. Andre) has been doing, he may be legally right, but he is not showing any moral or political leadership.

And in the final instance, he is leaving consumers to fend for themselves.

I have here a letter to the editor that appeared in the *Montreal Gazette* on November 12, signed by Mr. David Senenbaum of Saint-Laurent.

[English]

I, like most Quebecers, am sick and tired of being conned by the oil companies and government.

It's not enough that we are being ripped off by outrageous gasoline prices; the oil companies take a sadistic pleasure in rubbing salt in the wounds.

Ultramar was the first to raise gasoline prices 2 cents a litre and the other goody-goody rip-off artists played coy.

Carole Pressault, of Petro Canada, said "We haven't done anything yet (re increases)." Pierre Després, of Imperial Oil, said "At this moment we have not increased our pump prices".

Yet they, and the rest of the gang, raised their prices within 24 hours.

Why are we taking this kind of abuse? Where are our politicians, spokespeople, human rights groups, lobbying groups and protestors?

Can anyone out there explain to me why there is no competition in gasoline prices in Quebec?

I was always under the impression that a cartel in this country was illegal. Then why is the price of a litre of gasoline exactly the same at so many service stations, not only to the cent, but tenth of a cent?

Unless something drastic is done by the general public, this wanton gouging will continue.

[Translation]

Mr. Speaker, I hope the Minister will take note of my comments and those of Canadian consumers.

Mrs. Gabrielle Bertrand (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): In response to my colleague, Mr. Speaker, I might repeat, as the Minister stated last October 30, that the federal Government has no constitutional authority to set gasoline prices, and I know she agrees with that. Last September 8, however, when the Minister of Energy, Mines and Resources (Mr. Masse) was in Calgary to announce the abolition of the petroleum and gas revenue tax, he indicated that he had already been assured by the major oil companies that any crude oil price increase will take as much time to be reflected at the pump as when prices went down earlier this year. The Department of Energy, Mines and Resources closely monitors the price of crude and refined oil products.

Crude oil prices now account for less than 30 per cent of gasoline prices and are only one of the many elements which bear on prices at the pump. All things considered, market competitiveness is the determining factor of gasoline prices.

The Government has taken several initiatives to ensure maximum market-place competitiveness. Last year it used the Western Accord to deregulate the oil industry production sector, and since then Canadian crude oil prices have dropped as a result of world-wide demand. Lower crude oil prices did translate into decreasing gasoline prices, to the benefit of Canadian consumers.

In June 1986 the Government pushed for the adoption of the competition legislation, thus completing the long-awaited reform of Canadian legislation concerning competition. This competition legislation, being of a general nature, will apply to the oil companies and will eventually protect the interests of consumers, not only with respect to the petroleum sector but also in all spheres of economic activities.

The Director of Investigation and Research appointed under the competition legislation constantly monitors changes in the oil sector, and I can assure you that should he find evidence of conspiracy, price fixing or any other unlawful activity, he will take the necessary action as he did in the past.

[English]

SITTING SUSPENDED

Mr. Deputy Speaker: Pursuant to the order made Monday, November 17, 1986, the motion to adjourn the House is now deemed to have been withdrawn.

[Translation]

Accordingly, the sitting is suspended to the call of the Chair.

At 6.28 p.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 7.35 p.m.