

*Oral Questions*

**Mr. Turner (Ottawa-Carleton):** In analysing the impact of any tax on the consumers I also have to analyse the impact of, say, lowering the sales tax and having to find revenue in some other quarter, which might adversely affect the consumer in another way.

**Mr. Baldwin:** Coca-Cola rather than gasoline.

OIL EXPORT TAX—CONSULTATION WITH ALBERTA—  
DISPOSITION OF PROCEEDS

**Mr. Paul Yewchuk (Athabasca):** Mr. Speaker, I have a question with regard to the export tax of \$1.90 a barrel on western crude that the Minister of Energy, Mines and Resources has proposed. Has he held consultations with the government of Alberta on this matter, has he received the approval of the government of Alberta and, further, where does he contemplate that the revenue from this tax will go?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** I have answered these questions several times. I have discussed the tax on several different occasions with the Alberta ministers.

**An hon. Member:** What is the answer to this one?

**Mr. Macdonald (Rosedale):** The answer is that the government of Alberta regards the tax as illegal and immoral but wants, above all, to have the money.

**Mr. Yewchuk:** I ask the minister where he thinks this export tax should go. I already know Alberta's position. What is his position?

**Mr. Macdonald (Rosedale):** I have said many times that we are prepared to make up to the province the revenue it would have received had it sold these products at higher prices in Canada. But the balance, we think, should be invested in research and other projects for the purpose of developing energy resources in Canada.

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

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## CORPORATE AFFAIRS

POSSIBILITY OF EXCESS PROFITS TAX IN LIGHT OF  
LEVEL OF CORPORATE PROFITS

**Mr. David Lewis (York South):** Mr. Speaker, I want to pose a question or two to the Minister of Finance arising out of a report in this morning's press that corporate profits for the third quarter of 1973 have gone up by 57.7 per cent and, for the first nine months, by 46.9 per cent, a very substantial increase taking into account the fact that profits had already increased substantially in 1972. Is the Minister of Finance considering legislation having to do with some form of excess profits tax or some other way of bringing at least part of these profits back to the public treasury for the benefit of the Canadian people?

**Hon. John N. Turner (Minister of Finance):** When making comparisons the hon. gentleman would, of course, have to take into account that profits this year, while

[Mr. McGrath.]

healthy, are recovering from lower levels in 1970, 1971 and 1972.

**Mr. Lewis:** Not 1972.

**Mr. Turner (Ottawa-Carleton):** I would expect a good deal of that profit picture to be reflected, as I believe it is being reflected, in heavy capital investment, fulfilling investment intentions which I described to one of the hon. member's colleagues as showing an increase of 19 per cent over last year.

SUGGESTED ABSORPTION BY REFINERIES OF PART OF  
INCREASED PRICE OF CRUDE OIL IN LIGHT OF PROFITS

**Mr. David Lewis (York South):** Mr. Speaker, in the same area I should like to pose a question to the Minister of Energy, Mines and Resources. Has he studied the profit figures of the oil companies? If he has, he will have noticed that the oil refineries of Canada increased their profits by 68.2 per cent in the third quarter of 1973 compared with the same quarter of 1972, and by 37.9 per cent in the first nine months of this year compared with the first nine months of last year, which was a very healthy year despite what the Minister of Finance has just said. In view of these profit figures, ought not the minister and the government to insist that the refineries absorb a portion of the increased price of crude oil, especially since they are part of the same multinational corporations which are charging more in Venezuela and in Canada?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** That is in fact what they have been doing in the last several months. I would agree with the hon. gentleman that the profit picture is such that they can well afford to give the consumer this kind of relief for a period of months.

CORPORATE PROFITS—SUGGESTION THAT FOOD PRICES  
REVIEW BOARD BE EMPOWERED TO ROLL BACK PRICES

**Mr. David Lewis (York South):** In the same area, Mr. Speaker, I should like to address a question to the Prime Minister. On a number of occasions the Prime Minister has indicated to the House that if there should be any evidence of gouging of the consumers the government would be prepared to take action. I wonder whether the Prime Minister has studied the profit picture to which I have referred? If so, he will have found that Silverwood Dairies increased its profits by 87 per cent on an increase in sales amounting to only about 10 per cent, and that Maple Leaf Mills increased its profits by 147 per cent—

**Some hon. Members:** Question!

**Mr. Speaker:** Order, please. The hon. gentleman should ask his question. It seems to me he is giving rather than seeking information. I am sure the hon. member wishes to co-operate with the Chair by taking this into account.

**Mr. Lewis:** I do, certainly, but I cannot help but notice how anxious the Conservative Party is that these figures should not be on the record.