

Let us consider what the situation is when we talk about the cost of gas and oil. We have been criticized in the past for what we have said in this regard. I have some statistics produced by the hon. member for Vegreville (Mr. Mazankowski) on May 10, 1977. They are slightly out of date because the price of gas and oil has gone up since the cost of a barrel of crude has increased almost to the world price. I am not going to go into that at the moment. The cost of crude oil is 12.3 cents a gallon. At the present time provincial and federal royalties and taxes on crude are 18.1 cents; the cost of refining and margin is 5 cents; the marketing cost and margin is 18.6 cents; federal sales and excise tax is 14.9 cents; and provincial road tax is 10 cents.

Let me put this in terms of a dollar so we know what we are talking about in relation to the cost of the product. I wish there were more members of the NDP here to listen to this because they are always talking about corporate profits. I do not remember which minister it was, but one minister the other day was entirely correct when he spoke of this matter. He said the cost of the crude product is 32.1 cents per gallon. You cannot drive up to a pump and buy gasoline for 32.1 cents per gallon. That goes back to my boyhood days when we paid 25 cents at the pumps. It is only seven cents more.

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We talk about the high prices of corporate bodies. They are exploring and developing gas and oil and at the same time trying to cope with inflation. This is very relevant when we are dealing with the budget. If 32.1 cents is the cost of the product, the provincial take in taxes is 29.4 cents. So every time someone buys a gallon of gasoline across the board, whether it is Ontario, Alberta or British Columbia, he is giving approximately 29.4 cents to the provinces. That is what it should be at the pumps.

The federal take is 25.1 cents. The wholesale and retail margins are 13.4 cents. I will just review that: the cost of the product is 32.1 cents, the provincial tax is 29.4 cents, the federal take is 25.1 cents, and the wholesale and retail margin is 13.4 cents. What it really boils down to is extravagance; policies by the government without any priorities. That is why we are in this mess.

The Minister of Finance earlier tonight said what a ridiculous argument the Conservatives have when they say that they are going to cut taxes by \$2 billion, and yet are criticizing the government because they have a \$48 billion deficit. That is a fallacious argument. It is a dishonest argument because anybody could take \$48 billion and with proper priorities and proper trimming reduce the amount of money we are going to spend, thereby reducing the taxes to the average man in this country so that he would have more take home pay.

**Mr. Andras:** Tell me what you would do.

**Mr. Woolliams:** I must say it is not easy—

**Mr. Andras:** Tell me precisely what you are going to do.

### Supply

**Mr. Woolliams:** Well, if you cannot trim down \$48 billion then you are illiterate. I can answer that very quickly. Over the years as you sat as a minister on the treasury benches, the government have brought in new programs without any thought of where the money is coming from. They have had deals and they have forced these policies on the provinces, forcing the provinces to tax their people more. It has become a vicious circle.

**Mr. Andras:** Is that the answer to the question?

**Mr. Woolliams:** Well, you do not know the answer and that's for sure. So I say there is no doubt about it that when you get to the question of inflation, energy is the problem. The problem is not in the cost of the product but in the cost of taxes that are hidden, direct or indirect, on a gallon of gasoline and a gallon of oil. That is partly why we are in this mess today in reference to energy.

May I end on this point. One of the things the government does is get you off the track. I was very pleased to receive after a speaking tour a pamphlet from a constituent in St. Catharines put out by the member of parliament for St. Catharines (Mr. Parent). It is one of the greatest pamphlets I have ever read. This is how you get the people off the problems of inflation and high taxation. It says:

Just Thinking . . .

Corrupt the young; get them away from religion. Get them interested in sex. Make them superficial; destroy their ruggedness;

They sure know how to do that.

2. Divide the people into hostile groups by constantly harping on controversial matters of no importance;

This government has done that to get us off their economic policies.

3. Destroy the people's faith in their natural leaders by holding the latter up to contempt, ridicule and disgrace. Always preach true democracy, but seize power as fast and as ruthlessly as possible;

**Mr. Parent:** A point of order, Mr. Speaker.

**Mr. Paproski:** It is a quarter to ten. Sit down, the Speaker is up.

**Mr. Parent:** I would ask that the hon. member state where I quoted that from. He is saying I made that thing up. I did not. I quoted it from the communist manifesto of 1917.

**Mr. Paproski:** Oh, you are one of those, are you?

**Mr. Woolliams:** It continues:

4. Incite unnecessary strikes in vital industries, encourage civil disorders.  
5. Cause breakdown of the old moral virtues . . . honesty . . . self-restraint . . . faith in the pledged word, ruggedness.

Now, my good friend said where he got it from. In May 1919 in Düsseldorf the allied forces found this copy. Why would he quote it in a pamphlet? It is because it is exactly what this government has been doing.

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