

Oral Questions

● (1420)

Hon. Pat Carney (Minister of Energy, Mines and Resources): Mr. Speaker, the Right Hon. Member has correctly indicated that oil prices have fallen from \$28 per barrel internationally to \$20 per barrel today, but he has neglected to say that that decrease took place only in the last few weeks. Actually oil prices rose toward the end of last year, and they historically stay high during wintertime. Therefore the decrease in the international price of oil which we are experiencing now will not show up at the pumps until a few months from now when the oil is moved to the pumps.

COMPARISON WITH UNITED STATES PRICES

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, returning to the Minister's own figures, prices at the pump are down 2.8 per cent in Los Angeles over 12 months, down 3.7 per cent in Detroit, down 2.1 per cent in Seattle, up 14.9 per cent in Calgary, up 15.2 per cent in Toronto, and up 23 per cent in Saint John, New Brunswick. In view of the fact that the Canadian Government has raised taxes at the pump 58.1 per cent in those 12 months, the same period, why are Americans benefiting from falling oil prices while Canadian motorists are taking it on the chin?

Hon. Pat Carney (Minister of Energy, Mines and Resources): Mr. Speaker, the answer is that the Americans were lucky enough not to have a Liberal administration—

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Miss Carney:—such as the one which left this Government with such a massive deficit that we need those taxes as revenues to pay it down.

Mr. Turner (Vancouver Quadra): I have been talking about the last 12 months, a period in which this Government has been in power. The Minister's bravado does not fool anybody, and the arrogance is becoming contagious along those front benches, absolutely contagious.

EFFECT ON TOURIST INDUSTRY

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, does the Minister realize that in six months British Columbia ran up a \$200 million tourist deficit, largely attributable to higher gas prices, and that the outrageous gas prices in British Columbia are jeopardizing the future of Expo 86?

Hon. Pat Carney (Minister of Energy, Mines and Resources): Mr. Speaker, it is so typical of a Liberal to be negative toward Expo 86, which will be the best thing that ever happened to our province.

Some Hon. Members: Hear, hear!

Mr. Axworthy: We built it.

Mr. Rossi: You are on your way out, Pat.

Ms. Copps: A cabinet shuffle.

Mr. Axworthy: Talk about being full of gas.

Mr. Speaker: Order, please.

INCREASED GASOLINE TAXES

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources. I would like to follow up on that line of questioning and ask is she aware that in her own riding of Vancouver Centre taxes have gone up 2.8 cents per litre over the period the Conservatives have been in power, and pump prices have gone up 3.4 cents per litre, so that gasoline prices have gone up over 6 cents per litre. Why did the Minister tell me yesterday that it was only federal and provincial taxes that were responsible for gouging the consumer?

Hon. Pat Carney (Minister of Energy, Mines and Resources): Mr. Speaker, Governments do not set the price of gasoline. Possibly under a socialist Government they would set the price of gasoline, but under a market system the price of gasoline goes up and down with the market.

Mr. Tobin: Then why has it not gone down?

Miss Carney: I point out again that the extra taxes imposed on gasoline were put on by this administration to help pay for some of the social services that Canadians want.

Mr. Waddell: Governments do not set the price of gasoline; six oil companies do that, and the Government should do something about it.

TIME LAG BETWEEN WORLD AND CANADIAN PRICES

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, my supplementary question is for the same Minister. If she continues to predict that world oil prices will go down, and therefore will be reflected at the pump, what will she do to stop this time lag to make the Canadian oil industry more competitive and prepared to react to world prices going down? Is she prepared to do something about the competition in the oil industry?

Mr. Deans: A lack of competition.

Hon. Pat Carney (Minister of Energy, Mines and Resources): Mr. Speaker, what I did was to bring in a new energy policy which would make the Canadian market much more responsive to world conditions.

Some Hon. Members: Hear, hear!

Mr. Broadbent: We are seeing what happened.

Mr. Axworthy: Look at the result.

Mr. Blackburn (Brant): It is going in the wrong direction.