

*Oral Questions*

man should ask a question now, and then we would listen briefly to the minister.

● (1450)

**Mr. Diefenbaker:** I was trying to help the minister out.

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

**Mr. Diefenbaker:** I ask the minister this simple question, and he can answer it yes or no without all the equivocation and evasion in which he has indulged.

**Some hon. Members:** Question.

**Mr. Diefenbaker:** Is it now clear that there will be no increase in the price of bread as a consequence of the representations he has made and the statements made in reply thereto on the part of the millers? Is that clear?

**Mr. Lang:** Mr. Speaker, my answer is clear.

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

**An hon. Member:** You are through, Otto.

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

**Mr. Diefenbaker:** Otto ought to know more than that.

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**ENERGY****TEMPORARY FREEZE ON PRICE OF CRUDE OIL—POSSIBLE APPLICATION TO OTHER PETROLEUM PRODUCTS**

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, my question is for the right hon. Prime Minister and arises from his statement last Tuesday concerning, to use his own words, the price of petroleum products, including gasoline and home heating oil. The Prime Minister said, as recorded at page 6184 of *Hansard*:

The oil industry will be asked to refrain from making further price increases affecting Canadian consumers before January 30, 1974.

In view of the statement by the Minister of Energy, Mines and Resources in the House yesterday to the effect that this temporary and voluntary freeze will apply only to the price of Canadian crude oil, may I ask the Prime Minister whether he can clarify what appears to be a glaring discrepancy and specifically indicate whether the temporary freeze will apply only to crude oil or whether it will apply, as he said in his statement, to the price of petroleum products including gasoline and home heating fuels?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, the hon. gentleman knows the price increases in the Canadian market during last year resulted from increases in the cost of crude both east and west of the Ottawa Valley line. The position we have put to the industry is that there should be no more increases in oil prices until parliament has had an opportunity to act in respect of the number of control mechanisms to which we have referred. As a result of that,

[Mr. Speaker.]

there would really not be any justification for increases in the prices of crude, heating oil or gasoline.

I had an opportunity of indicating yesterday, in response to a question posed by an hon. member who suggested a retailer or retailers had increased the price of gasoline, that we exercise no control over the retail price through any legislation passed by this House. I would indicate that in the case of any general increase in the price by a group of retailers I would very much like to know the circumstances, as very clearly that is governed by the Combines Investigation Act and should be the subject of an immediate inquiry.

**REQUEST FOR ASSURANCE CONSUMERS WILL RECEIVE BENEFIT OF PRICE FREEZE ON CRUDE OIL**

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, since members of this party support the idea of a freeze on the price of Canadian crude, I should like to ask the minister what steps he proposes to take to ensure that the benefits of this freeze will be passed on to the consumers of gasoline, home heating oil and diesel fuel as was promised by the Prime Minister in his statement of last Tuesday.

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, we have the expectation that the request to the industry will be honoured and there will not be increases. As I have indicated, I cannot prevent any individual retailer from increasing his price, but I am fairly confident that the industry as a whole will honour the request.

**Mr. Speaker:** The Chair will recognize the hon. member for Nanaimo-Cowichan-The Islands on his last supplementary, after which the Chair will recognize the hon. member for Témiscamingue in appreciation of his patience and forbearance.

**Mr. Douglas:** Mr. Speaker, in view of the fact that 99 per cent of petroleum refining in this country is controlled by foreign-owned oil majors, and therefore they are selling crude oil to their own refineries and their own distributors, I should like to ask the minister whether he has had any discussion with the major oil companies to ensure that the freeze on the price of crude oil will reflect itself in stable prices for the consumers in this country?

**Mr. Macdonald (Rosedale):** Mr. Speaker, I have not yet had a response from all, but from the indications I have had at this point I think I can say that I am expecting the request for restraint to be honoured. In respect of individual retailers, as I have said, we are not in a position to control them, but I do expect that as a whole they will honour this request at all stages.