

# Gasoline price study called 'idiotic' by Stokes

(A submission by Jack Stokes of Schreiber was made to the North/South Gasoline Price Forum in Marathon on July 8, and following is a copy of that submission, as presented at the Forum.)

On Oct 1, 1986, the Minister of Energy, Vince Kerrio, said that his Ministry speaks for Ontario on energy policy matters. He also stated that he has a mandate to ensure that industry and other consumers can obtain energy supplies at fair prices as well as the broad aspects of supply and costs of all of Ontario's energy sources.

Mr. Kerrio believes that market forces will result in lower energy costs to Ontario consumers and sales opportunities to producers and market sensitive pricing.

The North-South Gasoline Pricing Study released in February by the Minister of Energy also states that prices are determined by market factors such as market size, retailing costs, and cost of transportation.

They have come to the bald and idiotic conclusion that the average gasoline price differential between northern and southern Ontario was 4.2 cents per litre during the study period.

The report states that the differential results primarily because smaller markets experience less competition.

As though we were a bunch of dummies, the report tells us and the Minister tells us that the price differences between urban and remote markets in the North are greater than prices between urban areas in the north and south.

The study went on to say that the extra transportation costs to move gasoline products to the North were greater than the price differential between northern and southern Ontario.

We as Northerners know that we represent only 10 per cent of Ontario's population, even though we occupy and service over 83 per cent of the province's land mass. We create new wealth and broaden the tax base by developing our forestry, mineral, and tourist resources, for federal and provincial treasuries.

As the lynch pin of the nation, we maintain our highways and railroads to provide a coast to coast transportation network for the efficient and cost effective movement of goods and people between major

urban centres within our federation. We husband and manage the primary resource legacy on behalf of all residents in this great province.

Northern Ontario serves as the playground for hundreds of thousands of Canadian and American tourists that seek relief, diversion, and relaxation from the urban rat race.

Northerners pay more sales tax on consumer items because of the higher costs resulting from smaller markets, less competition and greater transportation costs. We contribute much more than our fair share of taxes on any item where the tax is based on an *ad valorem* or retail price of goods and services which is inevitably higher in the north than the south.

It is a well known fact that residents in communities such as Manitowadge, Marathon, Geraldton, Armstrong, and Pickle Lake must travel and overnight in Thunder Bay, Toronto, or Winnipeg in order to avail themselves of essential medical, orthodontic, and other essential services.

It is also a fact that northerners pay more in construction and heating costs because of longer winters

and lower temperatures as compared to the south, resulting in much larger home heating bills.

Beer, wine, and liquor prices under the Ontario Liquor Control Board have been equalized everywhere in Ontario. OHIP premiums, Ontario Tax Credits at the provincial level, as well as Canada Pension and OAS benefits at the federal level are equal.

Given the tax breaks, exploration incentives, write-offs, and research incentives that have been extended to oil and gas producers, surely there is a will and a way to reduce the dramatic cost differential in petroleum products between the north and the south.

Lest you too are persuaded to agree with the findings of the Royal Commission on Petroleum Pricing which studied this subjects in 1975, or the North-South Gasoline Pricing Study which released its findings in February, let me remind you of the following facts.

As recently as July 3, regular gas was selling for 42.5 cents per litre in Thunder Bay, 44.7 cents per litre in Nipigon, and as high as 53 cents per litre at Shell and Texaco on Highway 17 in Schreiber for a

difference of 10.5 cents per litre more than in Thunder Bay and 8.3 cents higher than Nipigon only 60 miles away.

In February of this year, the Official Opposition at the federal level was de-

manding an immediate six cent per litre reduction in price because of the dramatic drop in the world price of crude.

Imperial Oil made a net profit of \$634 million in 1985, an increase of 19 per cent over 1984. On March 21, 1986 the President of BP stated "There is no justification for an Ontario service station (gasoline) price above 40 cents a litre. If they operated at a low profit margin as they have for years, they would only charge 35 cents a litre."

The recent study on North-South pricing found that it costs 1.5 cents a litre

to ship gasoline from Toronto to northern urban centres, a distance of several hundred miles.

Three years ago when the tank wagon price in Thunder Bay was 46 cents a litre I asked the general managers of marketing for Esso, Shell, Gulf and Texaco how much dealers were being charged in places like Nipigon and Schreiber. The price they quoted was 46.3, a difference of .3 cents per litre.

(The conclusion of the submission will be published in next week's issue of the News.)

## Piano pupils all pass

A number of students in Mario Commisso's piano class in Schreiber have graduated, some with First Class Honours, the teacher explained recently.

All of his piano pupils are in the 10 to 13 year old age group, and all are from Schreiber, he added.

Crissy Alfarano, 11, finished her Grade One with First Class Honours, as did her 10-year-old sister Cindy. Western Conservatory is used in his classes, Commisso pointed out.

Jackie Glad, 11, also had First Class Honours after graduating from Grade 2, while Stacy Shack had First Class Grade One Honours.

Honours went to two other Grade 2 graduates, Patti Quinton and Deanna Cosgrove, Commisso said.

## Pouliot

The New Democratic Party of Ontario announced recently that Gilles Pouliot, MPP for the Lake Nipigon Riding, has been appointed Transportation and Communications Critic.

"Mr. Pouliot brings to his new role a thorough understanding of the nature and problems of transportation and communication across Ontario. He will also be responsible for the need to improve transportation in Northern Ontario," Party Leader Bob Rae said.

Since the character of Northern Ontario demands new and clear directions, Pouliot will pay special attention to the acute need to improve the road system in Northern Ontario, the release added.

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### More winners

Five more Terrace Bay youngsters were awarded plaques on July 18 after being spotted operating their bicycles in a safe manner. From left to right are Devin Pearen, 6; Lindsay Turcotte, 8; Shannon Moquin, 10;

Anne Marie Boutette, 9; and Scott Merkley, 12. The safety program is presented by the Terrace Bay Police Force and is sponsored in part by the local branch of the Royal Canadian Legion and SunLife Insurance.

## Notice

Letters to the editor of the Terrace Bay-Schreiber News are welcomed and encouraged. Such letters should be sent to the attention of the editor at P.O. Box 579, Terrace Bay, Ontario, POT 2W0.

All letters must include the author's name, address, and telephone number so that the submission can be verified.

The editor reserves the right to edit any letter received. Though they can be about virtually any topic—local, national, or global—please keep your missives as brief as possible.

The Editor



Canadian Radio-television and Telecommunications Commission

Conseil de la radiodiffusion et des télécommunications canadiennes

## NOTICE

CRTC - Public Notice 1986-162. The Commission has received the following application: 2. SCHREIBER, Ont. Application (861084200) by **SISSONS' CABLE TV INC.**, P.O. Box 84, Schreiber, POT 2S0, to amend the licence for the broadcasting receiving undertaking serving Schreiber, by increasing the authorized maximum installation fee from \$25.00 to \$50.00. The present maximum installation fee was authorized on 12 January 1981 (Decision CRTC 81-20). Examination of application: 224 Park St., Schreiber.

The complete text of this notice and the application may be viewed at CRTC, Central Building, Les Terrasses de la Chaudière, 1 Promenade du Portage, Room 561, Hull, Quebec.

Interventions must be filed with the Secretary General, CRTC, Ottawa, Ont. K1A 0N2, with proof that a copy has been served on the applicant on or before **15 August 1986**. For more information you may also call the CRTC Public Hearings Branch at (819) 997-1328 or 997-1027, CRTC Information Services in Hull at (819) 997-0313.

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