

Excise Tax Act

Toronto, for example, will be cut down to three days a week from seven days a week.

This kind of measure is regressive and cuts down whatever little public transit service we have at the moment. As a matter of fact, the railway companies submitted a report last December but they have received no acknowledgement from the Department of Transport. In that report the companies outlined the financial straits in which they find themselves with regard to their passenger services. The CNR says to the public—they have said it to people who have telephoned me about it—that when the public complains about lack of service, they should phone their MPs or write to the Department of Transport. But the Department of Transport keeps telling the railways to maintain the status quo. The railway companies cannot even do that.

The government says that this tax is a method of energy conservation. It does not even come close to that. I think it is absolutely phony for anyone in the government to say that this kind of excise tax is a conservation method. We have only to look at the actions of the government in the last few months: recently we noted that the government was prepared to go ahead with the Pickering airport. Why are we pushing people toward using airplanes when we sadly need rail transportation to move people between cities and within cities?

My own city of Sudbury is in the centre of a number of communities with populations of 5,000, 16,000, 10,000 and 3,000. The major railway companies have their rail lines running through the small towns and into the city. Almost everybody in Falconbridge walks; they are not using those rail lines. No funds are being made available for setting up a transit system allowing people from the outlying communities to travel to the city. This government says it is prepared now to spend \$180 million on parking facilities for terminal 2 in Toronto. Is that the new emphasis? Will that conserve energy? As a matter of fact, it has been proved that airlines operating within a distance of 500 miles cannot make money on those routes, that the distance is too short in terms of the fuel required for the plane to take off and land.

We have the example of STOL between Ottawa and Montreal. How does that service conserve energy? The CNR introduced the Turbo last January to run between Montreal and Ottawa. What have the STOL people been doing? They have asked CN not to advertise their service between Ottawa and Montreal. What has the government done? It has forced all its bureaucrats, its aparatchiks, to travel from Ottawa to Montreal on STOL aircraft. I do not see how that could be part of the total strategy about which the government was talking last July when they were campaigning about providing an efficient interurban transportation system at reasonable cost. The minister said in his latest report on transportation that they would prefer to give everybody free bus tickets if they would fly; they could ride the buses free. Of course, he would like that.

● (1610)

Who pays for the roads, the expressways and the bus terminals? Certainly the federal government does not have to spend its funds on that kind of transportation. As

a matter of fact, railway companies receive no indirect subsidies for inspection and maintenance of the rails, no indirect subsidies for building and maintaining terminals. This government does not want people riding the rails; they want them on airplanes, which is one of the most inefficient ways of moving people over short distances.

I do not know what the government has in mind when it talks about transportation, other than the iniquitous kind of excise tax proposed in this bill. Governments in Europe and the United States are not putting money into the development of air travel. That is a thing of the past. It is far too costly and certainly does not conserve energy. They are putting money into rail transportation and are moving away from airlines. We are pushing people on to airlines. We know that Air Canada lost \$19 million last year on its Toronto-Ottawa-Montreal service. It has been proven that to transport people by air for less than 500 miles is uneconomical, and any government which follows that pattern is following madness.

The government says it is interested in the conservation of energy. This excise tax bill will not achieve conservation. There is no strategy, no opportunity for medium-sized communities to obtain funds with which to build rapid transit systems. The Pickering airport proposal is absolute madness and will only encourage greater density of population in an already rapidly expanding area. To put it in an area of fertile farmland is also madness. If the government is talking about conservation, then their decisions should follow some sort of conservation pattern. It seems to me there is a move afoot to force railway companies to raise their fares just so the airlines can increase theirs. I expect that the airlines will shortly announce an increase.

This excise tax bill is also iniquitous because it creates hardships for working Canadians in Nickel Belt and areas like it. Right across the country we have strikes and contracts presently being negotiated through the collective bargaining process. This government uses the working class people of this country for their own purposes. They run around seeking consensus from employers and employees. Does this ten cents per gallon excise tax reassure the working class that they ought to reconsider their demands? The government has promoted the idea, which has been carried by the press, that the Canadian Union of Postal Workers' request for a 71 per cent increase is exorbitant. But 71 per cent of what, Mr. Speaker? We have to think what such percentages are based on.

In my constituency, the United Steelworkers of America have just signed a new contract. When they started negotiating six or eight months ago there was no thought of a ten-cent excise tax, so they negotiated in good faith for what they felt was an increase in the cost of living and something more for their productivity. They had no sooner signed the contract than the ten cents per gallon excise tax on gasoline was announced.

I cannot understand why the government does not realize the effects of this tax. Several members from my part of the country on that side and many from areas like mine are experiencing great difficulty with this excise tax. In northern Ontario we experience differentials in cost between other parts of Ontario on just about everything. Living so far north, we have to pay a great deal more for