

*Excise Tax Act*

is, the tourist business. I am hoping the minister will do something about this. In one particular town the businessmen stated that they had not seen an American car on the streets for some time, so certainly this new tax has had a very serious impact on the tourist industry.

I have made it a point to talk to a great many people in the Parry Sound-Muskoka area and I understand they are all feeling the pinch. Certainly there is a recession, but they are blaming the ten cents a gallon gasoline tax for their situation. I would like to give an illustration. Not long ago an American car with a trailer pulled up in front of a gasoline dealer in the town of Trout Creek and asked for directions to a certain camp. The dealer gave them to him and then asked whether he would like his car filled up with gas, to which the American replied "Oh no, I have been reading about your gas situation. I have the trailer full of gas". That guy was a jackass, in my opinion, to take a chance on carrying a trailer full of gasoline, but perhaps many more people will take that chance to save money. It is pretty tough when tourist operators are hit in this way.

I cannot say that there are no American cars in my own village of Burks Falls because it happens to be the only town between the American border and Timagami, 300 miles north, and No. 11 highway goes right through the main street. So we do see a good many American cars going through there. Nevertheless, tourist operators are feeling the pinch, and I am wondering whether the minister has had second thoughts and will try to do something to cut this tax down somewhat.

I have another question, Mr. Chairman. This afternoon before I came to the House I spoke to the mayor of the township of Muskoka Lakes, which is one of the well-to-do townships. He said the township is feeling the pinch and asked me what could be done. I told him that we in the opposition were doing everything possible. I also thought back to November 18 when the minister dealt us a low blow on that boat deal, of which we have heard something lately. I know the minister recanted by taking the tax off the hulls, but then the ten cents tax was imposed. The mayor said to me, "my God, what will Turner do next?" I said to him, "Look out, I will tell you". I am predicting this and I shake in my boots when I say this, Mr. Chairman. I said to him, "Come the next budget, if he is hard up, he will start taxing that beautiful fresh air in Parry Sound-Muskoka."

**Mr. Knowles (Winnipeg North Centre):** Don't put ideas in his head.

● (1550)

[*Translation*]

**Mr. Gauthier (Roberval):** Mr. Chairman, I was waiting for the discussion to come to an end on both sides of the House. Members just seem to be yelling at one another. I wish to put a question to the minister. He stated that the 10-cent excise tax, which is particularly hard on individual Canadian taxpayers, has been imposed so as to reduce the amount of gas consumption. The idea is excellent, although I refuse to admit that it should be imposed only on the individual taxpayer. I should like to ask the minister if he intends to require the same tax from Crown corporations, such as the CN. Immediately after the announcement of Bill C-66, the CN handed out contracts

[Mr. Darling.]

to the owner of an Ontario trucking firm for all parcel post services in the province of Quebec. Previously, the merchandise was being delivered by Canadian National on its regular line, which situation did not cost a cent in either gas or oil. And now a private trucking firm is going to be delivering merchandise that used to be shipped regularly by the CN. I don't know whether the minister is aware of the amount of gas that is thus going to be spent uselessly, because previously there was no gas involved in such deliveries. Now this gas will be spent wastefully, simply because the whim of some CN officials who are comfortably seated in their offices, probably with the idea of trying to reduce the CN workload and give it to a private Ontario firm which will be delivering merchandise in the province of Quebec. I wonder whether the minister is going to do something if he really wants to save on gas consumption. As for us, we are all in favour of saving gas. But if the minister wants to do so also, he should start by preventing Crown corporations from acting so foolishly. I think this would be a first step in the right direction, and I should like the minister's opinion on the subject.

**Mr. Turner (Ottawa-Carleton):** In view of the hon. member's remarks, Mr. Chairman, I will simply say that I will draw the attention of my colleague the Minister of Transport (Mr. Marchand) to that matter.

[*English*]

**Mr. Stevens:** Mr. Chairman, this is the first time I have spoken with respect to Bill C-66, and I believe it is important that hon. members, and certainly the people of Canada, remind themselves of the true import of what the minister is proposing in Bill C-66. The fact is that Canadians are moving back to a two-price oil policy in Canada. It is not a geographical two-price system where those east of the Ottawa Valley pay more for imported oil while those west of the line pay less for our domestic product. It is a two-tiered system based on one's class in society. One class of Canadians, mainly the commuter going to work, must pay world prices for oil, while the exempt class, those who can claim gasoline as an operating expense, get their gasoline for ten cents per gallon less. It is rationing through price.

As this debate on Bill C-66 goes on, the unfairness of this two-price system for petroleum products becomes more obvious. Few disagree with the concept of having a uniform price for oil products across Canada, but it is difficult to understand why the government feels that the subsidization for such a program, some \$525 million, should fall on a relatively small sector of our petroleum users.

It is estimated that the ten cents per gallon tax will be levied on approximately one third of the total gallonage of all refined petroleum products used in Canada. If the government were to trim some of the fat from its current spending programs, there is no doubt that it could save the \$525 million it needs in a full year for this subsidization program. Even if the government feels it cannot cut back on its spending, it is our belief that the subsidization program should be treated as a national expense and paid for out of the general treasury. In either event, if the subsidy were covered by a cutback in spending, or through a general levy, it would ensure that the subsidization would not fall so harshly on one sector of our people. All