

Excise Tax Act

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, I crave the indulgence of the House to make one or two remarks which might more appropriately have been made at the committee stage. At the same time, however, I submit they are in order at this stage. The motion which has been put by the hon. member for Edmonton West (Mr. Lambert) invites the House to dispose of the measure by burying it for this session. No measure imposing a tax is popular, but I think anybody who is familiar with commercial aviation in Canada knows that the method proposed by the government for the raising of money to support airport and other necessary aids to aviation is preferable to that which has been pursued up to the present time.

The government I believe has reached the very end of the present method of paying for airports, for navigational aids and for all the other modern methods required for the safe conduct of commercial aviation in this country. Indeed, there is ample evidence that charges now levied upon operators of commercial aircraft by way of landing fees, airport rentals and other service charges at airports have almost reached the stage of no return. In many instances, these charges are entirely disproportionate to charges levied not only by comparable airports in the United States but by airports in other parts of the world. That being the case, this method of raising revenue for the support of airports and other aviation facilities has come to the point where it actually is an impediment to Canadian aviation and to the various companies providing commercial air service in Canada. For this reason, I support the principle of the bill. It is for this reason also that I understand the majority of the people engaged in commercial aviation in this country support the principle of this bill, since the effect of it is to impose a charge upon the users of commercial aviation services and not only upon the companies engaged in those services.

The original proposal made by the hon. member for Edmonton West mirrors the difficulty everybody has experienced in determining what is a fair basis for the assessment of these charges. I support the government's position. I believe it is preferable, taking everything into consideration, to levy an ad valorem tax. However, Mr. Speaker, I have some reservations which are of such a nature that I hope they will be recognized by the government when this tax is put into force and administered. This tax will fall equally upon every purchaser of an air line ticket, no matter where he flies, where his point of

origin is, and regardless of the airport facilities available to him or to the company that he flies with, at that point of origin or otherwise.

Without going into great detail I can state an obvious fact. Commercial air services are carried on in this country by the various licensed operators under conditions of considerable difficulty, and indeed hardship. Those of us who live in southern Canada automatically think of the great airports located in the major cities. We do not realize that the operators of commercial aviation services provide unit toll services over the length and breadth of this country and sometimes in the very far northern reaches of Canada. There are many places in this country where there simply is not an airport. Yet, a person may buy a ticket as if he were in Toronto, Montreal or Vancouver and thereby connect himself to the whole commercial aviation network of Canada and indeed of the world. But in many of these places where these unit toll services are carried on by commercial operators on a regular basis there are not only no airports but also no navigational aids. In the summer, properly equipped pontoon type aircraft provide services from water bases. In the winter, these services are provided by ski-equipped aircraft. I emphasize that there are no airports and there are few if any navigational aids. Indeed, in many cases where there are navigational aids they have been installed by the commercial air operators.

● (3:50 p.m.)

It seems to me that it is perfectly ridiculous to impose a tax to support airports and other services upon people who use aircraft from such far northern bases. It seems to be not only ridiculous, but unfair and unjust. I might mention certain obvious points for the consideration of the government. First of all, it is an established axiom of our national policy that the development of our northern territories depends upon aviation and upon the development of a growing pattern of air services. This will not be encouraged by excessive charges on the users of such services. Also, it should be mentioned that for many people, indeed almost every person in northern Canada, aviation provides the only means of transport. It is a necessity; they have no alternative but to choose to travel by commercial air services.

This being the case, if commercial air services are not provided and there is a lack of airports and of modern facilities, why should