

Excise Tax Act

the government expect to look into this aspect of airport charges?

Again, in closing, I assert that this tax amounts to rank discrimination of those who live in the outlying areas and those who have to take small hops within a locality, one reason being that air fares in these regions are much higher in proportion than they are on the longer runs. I do not know how this tax can possibly be called a fair one. I would appreciate the minister's comments on the question I raised with regard to the cost which this tax would impose directly on the government.

Mr. Bigg: Mr. Chairman, it seems this is another example of the government making up its mind first and then bringing legislation forward and expressing resentment, almost, at the fact that we should have any opinions on the matter at all. The minister should welcome suggestions from this side of the House. From the information we have been given so far, the picture is still far from clear. It is obvious that almost every speaker who has risen on this side of the House feels that the tax proposed is discriminatory. Surely there are alternative methods of raising the \$20 million or so which this tax is expected to produce.

The last speaker suggested—and I must agree it is a valid suggestion—that we might tax the airlines themselves on the basis of a percentage of the business done. If the airlines want to pass the tax on to the customer in a certain way, perhaps by way of a general increase in fares, perhaps on a per capita basis, I would say they know the air transport business better than any of us here can hope to do. Those who really use the airports are the people who run the airplanes, the people who own them. I think it would be a better plan to tax these direct users on the basis of a percentage of business done. It is obvious that if this course were followed the deep pocket would pay. On the other hand, the companies which would pay most would be those which were doing the most business. It might seem that under this proposal Air Canada would have to pay a lot of money. But Air Canada, as we know, is a Crown corporation and it would only be taking money out of one pocket and putting it into another.

There is a good case for competition, too, between airlines. As I said last night, the aviation industry in Canada is behind the times. Canada should be served by any airline that wishes to do so. Aviation has no place

[Mr. Harding.]

for monopolies; what is required is healthy competition, which itself would benefit the airlines and enable us to raise the extra revenue required.

• (5:00 p.m.)

The middle income people of Canada are already carrying a crushing burden of taxation, and we are asking them to tighten their belts and buy Canada back. How in the world can we buy Canada back when practically every month the government brings in a new measure of taxation which is aimed at the hard-working, middle-class people of Canada? I do not like using the word "class" but it is thrown at us all the time. My hon. friends to the left are always talking of class warfare; and although those opposite do not talk about class warfare they practise it. At the present time this warfare is directed at the \$6,000 to \$12,000 wage earners of Canada who are being asked to shoulder an increasing taxation burden. I suggest we are killing the goose that lays the golden egg.

In one of the few explanations the minister has deigned to give us, he said that some of the aircraft used in the north will be below the weight limit that has been set. I think a fairer way to levy the tax would be to tax the fare-paying passengers, rather than set a weight limit for aircraft. Take the case of the aircraft that carries both freight and passengers. The weight of the freight might put the aircraft above the limit, and in addition the fare-paying passengers would be subject to the tax. As a result miners, prospectors or our native people would be discriminated against.

If a tax of this sort must be imposed, then the simplest way to levy it is to tax the airlines. As I have said, many airlines want to use Canadian airports, and I can refer the minister to hundreds of letters I have received in this regard. These airlines would use facilities at the airports which our taxpayers have already paid for, and taxing these airlines would distribute the tax burden a little more fairly. A tax that is based on mileage would impose a heavy impost on a family man moving from Halifax to Yellowknife. He would be required to pay five or six times as much tax as the businessman who goes north to make \$1 million from oil exploration or something of that kind, and I do not think this is fair.

Neither do I think the minister's explanation that such a tax would be hard to compute is valid. The head of a family could buy all the tickets in his own name, pay the tax