

Excise Tax Act

ourselves running short of oil, we have reduced our oil exports. This means that the revenue from the export tax is reduced, and therefore the minister wants to find additional funds to keep up the compensation payments. The compensation payments, of course, are being made to these very multinational oil companies that got us into the shortage mess and the cost escalation mess in the first place.

Is that the only option the minister had? Why does he sock it to the consumers so he can make up the compensation payments? In view of the years of profit-taking by the multinational oil companies, it would seem more logical to me to increase their federal income tax than to make the ordinary consumer bear the burden, particularly when the oil policy of this government and the oil companies acting in collusion got us into this predicament in the first place.

There are ways of raising revenue other than by imposing a discriminatory and unfair ten cents a gallon tax on the consumers of gasoline in Canada. For example, the minister could begin to revise the tax system so as to take away some of the concessions that the minister has been giving multinational oil companies in his budgets. Why does he tax the ordinary consumer when the ordinary consumer, the working person, is already falling behind in terms of real income? Last year we experienced an inflation rate of some 12 per cent. This had led to a great deal of labour-management unrest in this country because workers who have seen their real purchasing power decreased by 12 per cent necessarily have to try to catch up. Just as they are in the process of negotiating, and sometimes having to go on strike, the minister again takes away their real income by imposing this tax.

● (1620)

For example, let us see what happened to wage earners last year because of runaway inflation that the government was unable to control. If you were making an hourly wage, in 1974, of \$3.50 an hour, last year because of inflation you lost \$499 in real money. Your income went down by almost \$500 because of inflation. If you were making \$5.50 an hour last year, you lost \$783 because of inflation. Then the minister comes along with this extra, inflationary tax on gasoline.

This tax plus the increase in the price of a barrel of crude oil by \$1.50 a barrel to take effect on August 15, will add an extra 2 per cent to the inflation rate. Is it any wonder that we are likely to be faced with a massive number of strikes as workers realize they are falling behind because the government has been unable to cope with inflation or bring in a tax system which is fair to the mass of the working people? Yet as the workers continued to fall behind in terms of real income, the Minister of Finance wanted to bring in wage controls. How ironic that the Liberal Party, which in the election of 1974 fought so strongly against the suggestion by the Conservative Party that wage and price controls be brought in, should through the Minister of Finance seriously consider imposing wage controls on the workers.

The minister still would like to do it, but he knows the workers who have seen their incomes eroded in the way I have described will not stand for that kind of policy. But the fact that he was thinking about it seriously indicates

[Mr. Symes.]

that there is not much difference between the Liberal and the Conservative parties. They are still the same old gang, and when they want to find a scapegoat it is the working person they find. In 1973-74 they let the companies enjoy the largest profit increases they have ever made, and now that the companies have been able to make a pile of dough they are going to sock it to the working person. They wanted to do it by means of a wage control policy, but this was not accepted so Turner turns around and comes up with this kind of discriminatory tax.

We in northern Ontario, as I mentioned, are hit hardest by this kind of tax because so many workers have to drive great distances to get to work, because we have to pay higher prices, to begin with, for gasoline and because working people from my part of the country do not take their vacations in the same way as the minister and the executives with whom he associates. They do not take off by plane when they go on vacation; they take their families in the car, towing a tent trailer or a camper behind it, and they visit our provincial and national parks, travelling across the country. This tax, of course, is going to take away that hope of pleasure from the bulk of our working people because they just will not be able to afford vacations by automobile.

This tax will have a serious and detrimental effect on the tourist industry in northern Ontario. Tourism is perhaps the second most important industry. Automobile drivers are not going to travel as far, or perhaps at all. I have talked to some constituents who have had to scale down their travel plans a great deal. Of course, it will mean a reduction in tourism and vacationing in northern Ontario and this will have a spin-off effect on restaurants, motels and amusement enterprises in our part of the country. Therefore, we are going to see less business in tourism, we are going to see more lay-offs and higher unemployment. We know that this tax, which is supposed to bring higher revenues to the government, is discriminating against the working people.

I have received a number of letters from constituents who have expressed very eloquently their frustration and anger at this unjust gasoline tax. I should like to read into the record a letter I received from Mrs. Montone, of Elliot Lake, Ontario, which is near my riding. It is, in fact, in the riding of the hon. member for Algoma (Mr. Foster), a Liberal member. I would very much like to see how he replies to her letter: She writes:

Dear Mr. Foster:

I must pick up groceries to feed my growing family—pleasure driving?

My child has had an accident and I must rush him to the hospital emergency department—pleasure driving?

Time for the children's orthodontic appointment (200 miles away return)—pleasure driving?

My husband has been referred to a specialist and we must travel to Toronto—pleasure driving?

A death in the family in Ottawa—I must leave immediately to make funeral arrangements—pleasure driving?

The above are only a few items that we in the town of Elliot Lake find necessary and mandatory in the use of a motor vehicle. There are no deliveries made in Elliot Lake, as well as no means of public transportation. With only one taxi company who has approximately two to four cars and these do not run 24 hours a day. The miner, as you are aware, must travel at least 20 miles return to work (the companies do not supply transportation) and they have been using "car pools" for