

Excise Tax Act

tonight. The changes in the financing of the medical care and hospitalization programs, which among the budgetary items are perhaps the most crucial in their long run implications for Canada, also will profoundly affect the average and low income people out of proportion as compared to the upper income people. They will affect the poorer provinces of Canada out of all proportion to the richer provinces, just as is the case with regard to the excise tax. All of this has been brought about by this great Liberal party which has governed Canada for so long.

This budget indicates, as nothing else could, that we are now back to the days of 1968-72 when the Prime Minister (Mr. Trudeau), who came in with a great majority at that time, was seen as a great progressive. Back in 1967 when I was teaching at York University in Toronto many people in Toronto were saying that the country needed a progressive man like Trudeau leading the Liberal Party. In terms of his progressivity, a Liberal told me, off in a quiet corner, that the President of the Privy Council offered his private assurance that, in the crunch, he would offer his support to the present Prime Minister for the leadership. Once I learned that, I knew that the present Prime Minister would be at home in the Liberal Party, and at home as Prime Minister in the Liberal Party, following that other great revolutionary, the late William Lyon Mackenzie King. The Prime Minister, on the occasion of the latter's centenary in December, described the former head of the Liberal Party as "our greatest revolutionary." That is the present Prime Minister's description of a former head of the Liberal Party, the man who governed Canada for so long.

I can understand now why the present Prime Minister would have regarded Mackenzie King as a great revolutionary. After all, a Prime Minister who could support this Minister of Finance with regard to this budget could regard Genghis Khan as a great revolutionary. So it does not surprise me.

I should like to point out before I get specifically to the tax measure that Mackenzie King—and there were some Liberals in this debate who referred to him as a great progressive man—was also a man who, just after the First World War when he had an opportunity—and the Prime Minister is aware of this—went to Great Britain where he met some socialists, and ran into George Bernard Shaw. This was revealed in implicit detail in the Mackenzie King diaries. Many people in England and elsewhere regarded George Bernard Shaw not only as a great playwright but also as a great socialist.

Young Willie King wrote in his diary that he really did not like George Bernard Shaw and all those other socialists because they drank beer. King said that the line must be drawn somewhere in respect of political ideals, and one really ought not to associate with people who drank beer.

Later on of course the same Willie King, the man this Prime Minister describes as the greatest revolutionary of our age, was all set to marry a nurse from Chicago until his mother found out, rapidly got some writing paper, and sent a letter off to Willie King in the United States where he was visiting the Carnegies, indeed a poor American family.

An hon. Member: Get back to the subject.

Mr. Broadbent: I think it is worthwhile to get a little of this on the record. Willie King's mother wrote to him saying that he had better not marry that nurse because, after all, a nurse was not quite good enough for him. I say it is not surprising that the Prime Minister could regard that man as a revolutionary. Their ideas do not differ at all in terms of their social attitude. They are very similar individuals, just as the government which governs this country now is similar to the government of Mackenzie King's day. It was a little different during the days of the minority government when the four or five progressives in the backbenches could say they got something done.

I just wanted to provide a little historical background for the Liberals who do not know much about their own party. Now let me come to the question before the House. Why is it this tax measure is before us? We have this tax measure because the government needs additional revenue to pay for the oil we import. The government has to make up the difference between what we receive in the form of export taxes for the oil we export and what we have to pay for the oil we import off our east coast.

There is no doubt that some additional revenue is necessary. No one questions that. We in our party question whether the amount should be \$350 million this year, and some \$500 million which is estimated for the following year. We have many suspicions arising from the court cases in Nova Scotia and in the United States that the oil companies in Canada, that is, the branches of the multinational corporations, indulge in immoral and illegal price fixing. We have our very great suspicions about that, but the government of course is not interested in pursuing any systematic investigation of that nature in the way Senator Church and his committee in the United States Senate are doing in that country.

It is my hope that Senator Church's investigators will come to Canada, and I intend to get in touch with that committee and point out that our government is not interested in investigating the internal practices of the oil companies. Since Senator Church's officials have gone to Italy to investigate the practices of the oil companies there, I see no reason why they should not come to Canada. I have a feeling that what would be discovered in Canada would be just as revealing as what is discovered in Italy.

We do not believe, if all the facts were known, that the government really needs all the additional revenue it says it requires to pay for the additional price of imported oil. If all the facts were known about the price setting devices of the oil companies, I think the amount of revenue needed would be substantially less than is claimed. We agree that some additional revenue is necessary, but we certainly do not believe that the revenue which is to be collected in the amount of \$350 million this year and \$500 million next year should be collected from the average and low income Canadians who drive automobiles.

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I suggest that 90 per cent of the people driving automobiles today use their automobiles to drive to work and drive home again. Therefore the automobile is not a luxury at all. The government is placing a burden of \$350 million this year, and \$500 million next year, on the aver-