

Excise Tax Act

ingful, productive work. It only adds to their burden when we create further unproductive administrative burdens such as this tax will create.

Another aspect I have not heard of yet is that the amount of compensatory oil consumed, in the total energy picture of the provinces, varies considerably from province to province. Some provinces have the capability of producing their own gas and oil. Others have tremendous hydro resources and atomic energy. Then there are provinces which consume oil for their electrical energy. In my opinion this 10 cent conservation measure is grossly unfair to a very selective number of payees of this tax in those provinces which do not have heavy hydro resources and do not have atomic energy.

The minister says that the tax is designed to pay for imported oil. He said that here in the House today, and it is in his speech. He says that without this tax the deficit between what the government pays in subsidy and what it receives as a special tax on the export of oil will be, as he mentioned today, between \$400 million and \$600 million this year. This means that the people in a province with low hydro power and low oil and gas production, like Nova Scotia or New Brunswick, are paying a disproportionately high percentage of this compensatory tax because of the oil being used to produce electrical energy.

If Ontario, for example, produces 50 per cent of its energy from hydro, this means that in fact the payees of this tax in Ontario pay a very low percentage of the compensatory payments when compared to the payees in a province like New Brunswick or Nova Scotia where much of their electrical energy is produced by oil. This obviously will be recognized eventually by the Maritime provinces, and when they wake up to this further imposition on the payees of this tax in those provinces we should be prepared for the screams.

The wine tax was designed to help keep the domestic industry healthy. The minister in his budget said that the domestic wine and grape growing industries of the country are seriously affected and that the excise will therefore be reduced to its previous level effective budget night. Why then has this tax also been reduced on imported wines? I do not understand that, and I think we need an explanation.

Further, it is my understanding that alcohol consumed is a very high consumer of human energy. There is no consistency in the energy conservation programs of this government. It taxes one and removes the tax from the other.

The removal of sales tax on insulation, as I mentioned, is a gimmick, but it is a step in the right direction even if it does add to the unproductive administration load on the over-all federal tax picture in Canada. However, one of the good things in this budget, or accompanying this budget, was the debate requested on the federal sales tax study,

for to me federal sales tax at the manufacturing level is a highly inflationary tax. It has a high multiplier effect between manufacturer and consumer. It is time we had a very open and thorough study of this tax, and removed this hidden subsidy of many of the social programs and burdens of this country from that level of taxation, and put the cost of that to the end users so that they can fully understand the cost and the value of that which they are demanding.

● (1750)

Even as I stand in this House, Mr. Speaker, I have trouble understanding what \$1 million is—what \$1 billion is. If I am having that kind of problem then the people of Canada just do not know the cost of anything any more so far as government is concerned. I welcome that special study and I hope I have an opportunity to participate in it.

Inflation is serious in this country. If it is such that revenues at our airports have to be increased—and our party position was made known by my leader today—then I basically support the “user pay” concept wherever practicable.

On the basis of the philosophy expressed in the transportation report, Heaven help the people served by the St. Lawrence Seaway. On a “user pay” basis it just will not work. It is already subsidized by people all across Canada, and I think that probably gives us room to open up the subject in the coming debate.

For various obscure reasons the government continues to ignore the basic fact that the people of this and any other country can only live within the total of what they produce. It continues to ignore that all wages come from the basic function of adding to the value of goods.

When the Canadian people in the work force start worrying about purchasing power instead of catch-up dollars, and when they start measuring government waste and unproductive payrolls and programs in terms of man years of work effort as measured by income tax dollars paid, that might be the day when truth, honesty, and some long range planning for the common good will show up in a budget and the resulting legislation.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Penner): The hon. member for Pembina.

Mr. Elzinga: With the permission of the House may I call it six o'clock, Mr. Speaker?

The Acting Speaker (Mr. Penner): Is it agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Penner): It being six o'clock this House stands adjourned until tomorrow at 11 a.m.

At 6 p.m. the House adjourned, without question put, pursuant to Standing Order.