

blanket exemption to anyone who makes the claim would be to defeat the whole energy conservation purpose of their particular bill. We should not be able to raise the necessary revenue for preserving a single national oil price and for preserving a lower price for home heating oil, and a lower price for oil used by farmers, fishermen and by industries and manufacturing businesses in this country.

**Mr. Peters:** Yes, and you are doing it on the backs of the workers.

**Mr. Turner (Ottawa-Carleton):** There is nothing within the ambit of this special excise tax on gasoline which has not been present for 25 years or more in provisions governing deductibility under the Income Tax Act.

**An hon. Member.** Those were 25 Liberal years.

**Mr. Turner (Ottawa-Carleton):** I am explaining the reasons for this tax. I know there will be cases of hardship, but if we did this another way, the administrative problems would well nigh be insoluble. That is why we have chosen the present course. Unless we pay these increases now, every Canadian will need to bear a far sharper burden in the years ahead.

**Mr. Broadbent:** Mr. Chairman, I thank the Minister of Finance for taking the trouble to reply seriously to the proposal of the hon. member for Winnipeg North Centre. I give him credit for not ignoring serious arguments and for putting forward what he believes to be a serious recommendation. Having made that point, I do not agree in the slightest with what the minister said.

● (2100)

**Some hon. Members:** Oh, oh!

**Mr. Broadbent:** I appeal to all the yelping voices in the backbenches to consider the arguments one by one. The minister says he must raise revenue, that there is a shortage of money due to the gap between the export tax revenue and the price we pay for imported oil off the east coast. I am sure no member on either side of the House will deny that additional revenue has to be raised, so one can write off the first third of the minister's speech by saying that no one disagrees with that argument. But that is not the point, if I may say so. The point is, how do we raise the additional revenue? That is the crucial issue and I will come to it in a minute. I do not take his first point seriously because no one disputes that the revenue is needed.

The second point the minister made was that the present law allows no one, not even a doctor or a lawyer, to claim expenses when going to or coming from work. So there is no argument there. But what on this side of the House, and I presume the members of the Conservative party, whom I trust will support the amendment, are saying is that the means of raising this revenue by this kind of tax, as opposed to collecting it out of income tax and corporation tax revenue, discriminates unfairly against people of average or low income who have to use their automobiles to go to work because no alternative is open to them. Our point is that if the revenue is collected from general revenue, these people will pay on a progressive basis. We

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are telling them that they will pay the same as a doctor or lawyer, whether their income be \$5,000 or \$50,000 a year, but it will be based on ability to pay, not on a flat rate of usage of gasoline. At present it is a regressive form of taxation.

From that we conclude that if it is possible administratively to exempt from the tax workers who have no choice but to use their automobiles to go to work, then all workers in that category should be exempted and the shortfall should be made up out of the general revenue.

The minister has said that this would be administratively difficult. Perhaps he went even further and said it would be administratively impossible. I agree with the first but not with the second. For example, a worker like a logger, or a skilled tradesman, might have to travel to many construction projects some distance away from his home. Therefore, arbitrarily you say that workers such as loggers, skilled tradesmen, longshoremen, people in mining communities and so on are exempt from the tax because they have to drive to and from their place of work each day.

On the other hand, if there is in existence an adequate public transportation system in a city in Canada to which substantial numbers of working people could turn as a realistic alternative, then these people would not be exempt from the tax. The minister talks about changing lifestyles, and I suggest it would be a considerable change indeed, because at the present time these people would have to walk to work. Someone living in Scarborough would have to walk to downtown Toronto because there is no public transportation facility in that area. The same holds true of every urban community across the country. So I say to the minister quite flatly that he is talking nonsense.

There just is no possibility of a change in lifestyle for 90 per cent of the Canadian people at least for the next decade, because public transportation facilities do not exist. I suggest that to speak of conservation by encouraging people to stop using their automobiles, when no realistic alternative is available to them, is either hypocrisy or intellectual nonsense.

Let me return to the practical problem here. The minister has a reasonably competent civil servant sitting in front of him at the moment. Why not let him draw up a set of regulations for certain categories of workers, 90 per cent of whom, because they are lawyers, skilled tradesmen, longshoremen or miners, have to go to work by automobile, and work out a reasonable average drive to and from work, and put a ceiling on the amount of exemption. If there is a city in Canada with a public transportation system that can accommodate workers so they can leave their automobiles at home, then those workers would receive no exemption at all. But I would love to hear the minister tell me which city in Canada meets that test.

I conclude by saying that I strongly support the amendment proposed by the hon. member for Winnipeg North Centre because it goes to the heart of what most of us have objected to in this bill, namely, that the bill puts an unfair burden in raising this revenue upon the average and low income workers who must use their automobiles to go to work. No glossy reasoning by the minister, or superficial