

Excise Tax Act

Canadian people. I do not believe it is going to generate the revenues for the government coffers that the government expects, because the government will have to put in place a very much greater bureaucracy. This money is just going to go through their hands, and we will find another budget being introduced and another great bureaucracy organized to try to collect this tax.

I think Canadian people are greatly concerned about the use of energy—about the use of gasoline, oil and natural gas. The Canadian people are beginning to understand that there has to be conservation in this field. I also think that there is great concern in Canada today over inflation. Even though the Minister of Finance told us that he was not going to do anything really drastic to try to control inflation because the Canadian people were not ready for anything drastic, I do not think he was right; I think the Canadian people are ready for action—but they want leadership. There has to be leadership from the Government of Canada before the people will accept that action; and they are not going to accept it piecemeal, not if it is imposed on one class of persons but not on another. If programs are brought in that are realistically oriented to control inflation, and if they are applied to all the people at the same time, I believe the people will accept them. They are certainly ready for that kind of thing.

Someone said the other night that the provincial government of Ontario had brought in a speed limit of 50 miles an hour. Look at what happened in the United States. You will find that the federal government there imposed the speed limit in all states. They imposed it equally across the United States and it was acceptable to the people. It should be done through strength, not piecemeal.

● (1600)

In British Columbia we have a 55 miles an hour speed limit which was imposed by the government of the province. It is working well. In order to conserve gasoline, these kinds of things must be done, through strength, by the federal government, not by gimmicks such as putting an excise tax on gasoline of ten cents a gallon. It is nonsensical. It will do nothing except cause hardship for the people. There will be great areas of dishonesty. It will not work without a policing system, which will be very costly.

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, the bill before the House to impose a tax of ten cents a gallon on gasoline is one that the people of Canada do not accept, judging by the mail that members of parliament are receiving and by the commentary in the press. I find it very interesting that not one Liberal member has risen to defend this ten-cent tax imposed by the Minister of Finance (Mr. Turner). These Liberal backbenchers who in the 1974 election campaigned as protectors of the consumer and friends of the working people, now—with their majority—support a Minister of Finance who has imposed one of the most regressive, discriminatory and unfair taxes experienced by Canadians in many years. These Liberal backbenchers who are obviously at a loss to rationalize and explain this tax have no option but to sit quietly or to heckle when opposition members bring out the inadequacies of this discriminatory tax.

[Mr. Whittaker.]

We listened to the arguments of the Minister of Finance as to why Canadians consumers who drive cars must pay an extra ten cents a gallon for gasoline. He gave two reasons. First, he says he needs more revenue to add to the oil compensation payments that are being made to eastern Canada as to a stopgap measure for lack of any national energy policy by this government. The other argument is conservation. The minister hopes this ten-cent a gallon tax will reduce gasoline consumption in this country. In the course of my speech I would like to show why neither of these arguments are valid. I would also like to state why I claim that this tax is regressive, discriminatory and unfair.

We call it a regressive tax because it hits everybody the same. It hits the low income worker equally with the high income worker. That is most unfair. If we are to have a tax system that takes into account the differences in income in this country, we must do it by means of a progressive income tax, not by direct excise or sales taxes such as we see in the measure before us. The majority of workers in this country are in the low and middle income group. This is the group that drives the most cars in this country. This massive population in our country will be paying this tax, although they cannot afford it.

This tax is discriminatory because it not only hits the low and moderate income group but it provides specific exemptions for certain groups of people who will not have to pay the tax. Those receiving exemptions are businessmen, doctors and other professionals who have to use their cars in the course of their work. I ask those Liberal who are so silent on the issue, do the workers not have to use their cars to get to work? I come from northern Ontario where there are many small, scattered communities outside the larger centres where the major employer is located, such as the mine, the steel company or whatever. The employees do not have the option of public transit. They cannot travel on an efficient bus or subway system. They cannot leave their cars at home and take these public transit mechanisms to work; they must travel by car.

Many of these workers must make round trips of 100 miles a day. However, they cannot deduct the cost of gasoline in their daily course of work in the same way as a doctor, a salesman or others who use a car. That is why we say this tax is discriminatory. It is unfair to working people who have to use the car. Because there is no option for public transit, this tax should be withdrawn.

During the 1974 election campaign members of this government went across the country promising new initiatives for public transit so that people would not have to depend on the car and the car would not continue to congest our cities. In June, 1974, the Prime Minister (Mr. Trudeau) promised that \$270 million would be made available to assist public transit. In the same month he promised there would be a new Crown corporation for railway passenger service and that they would set up a national urban transportation development corporation to take bold initiatives in order to improve public transit in this country.

What has happened to those promises? They are not worth the paper on which they are written. This government now has a majority; it feels secure; it feels it does not have to live up to its election promises. Instead of provid-