

*Excise Tax Act*

made. He made much of the fact that the machinery is set up to do it, but he spoke of the refund in terms of ten cents a gallon. There will be complaints because people will have to pay 12 cents of 13 cents extra for gasoline because of the tax but will receive a refund of only ten cents, and that only on the basis of the formula stated in the document they will have to file. So as I say the whole thing is shot through with inequalities and unfairness, and is so far removed from the simple, fair and just arrangement for taxation based upon ability to pay that it seems to me that only someone who wanted to do damage to the Canadian society could have thought of this arrangement.

I urge most strongly that the government withdraw this bill. If it is not prepared to do so before we have the vote on the six months' hoist I hope that in the time we shall have after that it may still be persuaded that we speak not only for the Canadian people in terms of their desires but in terms of their rights in respect of this matter.

I want to say a word about the whole question of rebates and the argument that has gone on between my friend from Peace River and the Minister of National Revenue. The hon. member for Peace River (Mr. Baldwin) insists that rebates could be made under an appropriate provision in the Financial Administration Act, and the Minister of National Revenue comes back with a legalistic answer supporting his contention that the rebates could not be paid until this bill is passed. This bill does two things. It provides for the collection of the tax and it provides for rebates. The government says that there cannot be any rebates until the bill is passed, and yet the government is collecting the tax.

When we ask the Minister of National Revenue on what basis the government is collecting the tax the answer is that it is an old tradition. I think this not only makes the law an ass but makes it preposterous. Surely if there is a tradition that the government has the right to collect a tax that has not been passed by parliament, then there can also be a tradition that the government ought to have the right, and the duty to pay back something that it should not have collected in the first place. This is the kind of legalistic argument we have heard, that is, that the government has the right to collect the tax by tradition but does not have the right to make the payment back. I submit that this really is an attempt to kid the troops. I submit that the same kind of ingenuity the government uses to collect this tax, or that it drew on in May, 1974, when it took off a tax and put it back on, could be used to make these rebates now without having to wait until this bill is passed which, who knows, might be down the road a piece yet.

● (1730)

The theory behind the collecting of taxes is of course not only that great word "tradition", but it is also that the government, being in a majority, can count on the fact that sooner or later what it proposes will be passed, retroactive to the date proposed by the government. Why not apply that both ways? If the government can collect the tax—because sooner or later its will will become law—why can the government not pay the refunds, because sooner or later the right to do so will become law? The fact is that the government is just using this in an attempt to

blackmail the opposition in order to let the government have this bill.

I submit that if the government wants a summer recess and that if that view is shared generally, just as on other occasions we have reached agreements and put things over until the session was resumed, that could be done with respect to this bill, and the government could then have the summer weeks, those which are left, to consider this whole matter.

If that cannot be done and if the government cannot see common sense in that respect, then I urge that the motion proposed by the Leader of the Opposition be supported and that this bill be given a six months' hoist.

In a very brief reference I should like to say a word about something some of my hon. colleagues have discussed, although when they tried to speak at length Your Honour felt they were getting a bit out of order. I will not speak long enough to be out of order, but I do want to underline the fact that this unfair ten cents tax, which has no regard to ability to pay, is part of a total package which is taking this country the wrong way both socially, and in terms of taxation. When I speak of the total package, I think of the government's plans for collecting more money for unemployment insurance by that new threshold system which will be introduced, and by making workers pay more for unemployment insurance for those who are not working. I am thinking also of the provisions regarding hospitalization and medical care, which the government has in mind.

All of these measures taken together are a departure from the sound principle of taxation according to ability to pay, and when the other measures in the budget which relieve things for corporations and put more burdens on the ordinary people of this country are added to that, I say that my point is well taken that the government is taking the country the wrong way. Therefore, when we oppose Bill C-66, we are opposing it not only on account of its own demerits, but we are opposing it because it is part of a total tax package which really surprises me coming from a government which calls itself Liberal. Of course that "Liberal" has long since been spelled only with a big "L." There is just no little "l" liberalism over on the other side any more.

When hon. members from all parties on this side of the House have opposed this bill there have been some voices from the other side asking us what methods we would use to raise the necessary money to have a one price system regarding petroleum products. We have made it quite clear that we still think the taxation system, namely, income tax according to ability to pay, and corporation taxes and surtaxes in both cases on the upper levels, is the fair way.

During the weeks before the budget was brought in by the Minister of Finance at least two of us put a question to the minister in this area. One was the hon. member for Lac-Saint-Jean (Mr. Lessard), who sits on the government side, and I was the other one. Our questions might even have been on the same day, but certainly they were very close to each other. We both asked the minister whether in his then forthcoming budget he would consider imposing special taxes on income increases in excess of 12 per cent. That was a figure the minister had been bandying about, and the minister said, both to the hon. member for Lac-