

between the sales tax on leaded gasoline and its unleaded counterpart, multiplied by the volume of leaded gasoline purchases. This rebate would be delivered to farmers and fishermen in the same manner as the current 1.5-cent a litre tax refund is delivered. The same eligibility rules would apply and therefore no restrictions would be made between on and off highway use.

It is important that when we approach the taxation of gasoline from now on that we have a political concern for the damage caused by acid rain and that we reflect that concern in our taxation structure. This is a departure from practice because what I have put on record today requires a calculation which so far has not emerged. My conclusion is that by proposing a tax rate for unleaded gasoline which is higher than for regular gasoline we are making a serious environmental mistake. If we want to redress that mistake we should therefore restructure the proposed tax rates. It would be to our long-term benefit if we can find ways through the price structure in the market-place to make unleaded gasoline available to the consumer at the same price as leaded gasoline. In doing so we will reduce lead emissions and the concomitant health dangers, particularly in the heavily built-up areas, as well as reducing the emissions of NO_x which find their way into the atmosphere and come back to us in the form of acid rain. It is with this in mind that I would like to conclude and I thank you for your patience.

Mr. Deputy Speaker: Questions and comments?

Mr. Lewis: Mr. Speaker, if I did not know the rules of this House I would be tempted to ask the Hon. Member what effect he thinks the massive sales tax increases brought in by the NDP-Liberal Government in Ontario will have on the polls. I would also be tempted to ask him what effect he thinks the vicious behind-the-scenes leadership campaign being waged by the Hon. Member for Saint-Maurice (Mr. Chrétien) will have on the Liberal Party. However, I will not do that. What I would like to ask him is this. In view of the fact that he was a Minister of the Environment in the former Liberal Government and has given us a very interesting discourse on what steps we should take with respect to taxing unleaded and leaded gasoline, what steps was he successful in having previous Liberal Cabinet Ministers take specifically on these proposed taxes when he was Minister of the Environment?

Mr. Caccia: Mr. Speaker, I want to thank the Hon. Member for asking two questions to which he does not want an answer and then focusing on the third one which is as interesting as the other two. This price spread and its widening is something which has emerged only very recently. It is on the path towards becoming wider as time goes by. As I mentioned earlier, it was 2.5-cents in the spring. It is now 3 cents. The application of this specific tax rate as recommended in Bill C-80 is likely to increase this spread in the future because it applies unevenly. On unleaded gasoline the tax will be .35-cents per litre but on regular it is .32-cents. This is, to the best of my knowledge, a new policy development in the taxation process adopted in this country. Therefore, it is

obviously my duty to bring it to the attention of the Government and to underline the environmental consequences of this particular tax measure, small as it may appear to be in the immensity of the Ways and Means Bill in which it is buried. I am not saying it is buried deliberately, but it is a measure which may go by unnoticed by anyone who is not sensitized to the environmental impact caused by leaded versus unleaded gasoline.

I am sure the Hon. Member comes from an area where the question of acid rain is perceived by people in a particularly strong manner. I am sure he knows that in addition to acid rain the question of lead in gasoline has been one of concern to people who follow its effect on health and connect it with the content of lead in human blood. If that is the case, I imagine that I would have in the Hon. Member a very keen ally in making representations to the Minister of Finance on this issue because he would approach the matter in a way very similar to mine. He would want to ensure that leaded gasoline usage goes down and unleaded goes up.

Finally, in answer to the Hon. Member as to what I did in my term, I would bring to his attention—

Mr. Lewis: You have just about enough time to tell me, 30 seconds.

Mr. Caccia: —the fact that we did set in motion a reduction of lead in gasoline in Canada. The present standard of .77 milligrams per litre is gradually being reduced to .29 milligrams, bringing our standards in line, by 1988 I believe, with the standards in place and enforced in the United States.

Mr. Deputy Speaker: It being one o'clock, I do now leave the chair until two o'clock this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 22

[English]

MEMBERS OF PARLIAMENT

REPRESENTATION OF COCHRANE-SUPERIOR—STATEMENT ATTRIBUTED TO MR. GERVAIS

Mr. Keith Penner (Cochrane-Superior): Mr. Speaker, I wish to advise the House of my wish to dissolve a partnership, a partnership to which I never gave consent in the first place. The Progressive Conservative Member of Parliament for Timmins-Chapleau (Mr. Gervais), not having enough work to do in his own constituency, has announced to a handful of PCs in Kapuskasing that he is now in partnership with me to serve my riding. He told a small gathering of the Party faithful: "It is