

Excise Tax Act

munities. The people who work in the mines no longer live on the minesite.

The point is this. These people must be induced to work. Although they do not want to go on the unemployment insurance rolls, the minister will find that if these people must spend too much of their income to drive to and from work, it will not be worth their while working in the mines and they will seek alternative means of employment or assistance. You cannot expect a man to drive 60 or 70 miles a day to work, unless he is compensated for his expense.

I sincerely believe that the proposed amendment will make the supervision of this measure easier. It will also make it easier to police the exemptions to be granted under this legislation.

Mr. Turner (Ottawa-Carleton): Mr. Chairman, you have already ruled on the hon. member's amendment, although I wanted to reserve our right to challenge it procedurally. We will reserve our rights. I suggest that the amendment would tend to reduce the imposition of the tax, or the ambit of the tax and, conversely, decrease the effect of the ways and means motion.

Mr. Knowles (Winnipeg North Centre): We have gone through that argument for about five years.

Mr. Turner (Ottawa-Carleton): May I deal with the matter on its merits. Many speeches have been made concerning the imposition of the excise tax, and its unfairness to those who do not have available other means of transportation. I am sure hon. members opposite are aware that the purpose of this special excise tax on gasoline is to cover the deficit on oil account.

An hon. Member: On the backs of the poor.

Mr. Turner (Ottawa-Carleton): The purpose is to preserve a single, national price for oil in this country.

An hon. Member: At what cost?

Mr. Turner (Ottawa-Carleton): Therefore, we wish somewhat to curtail personal consumption and are imposing a tax in order to preserve the price for oil used for homeheating, industry and by farmers and fishermen at two-thirds of the world price. That is the purpose of the tax.

Mr. Clark (Rocky Mountain): That's a lot of nonsense.

Mr. Turner (Ottawa-Carleton): It is also designed to discourage gasoline consumption when an automobile is used for personal rather than business use. Under the terms of the tax, personal use includes using an automobile to get to work. In this respect, the special excise tax parallels the provisions of the Income Tax Act which does not allow the deduction of expenses incurred to get from one's home to one's place of business.

Mr. Clark (Rocky Mountain): That is wrong, too.

Mr. Turner (Ottawa-Carleton): That is not wrong, and it applies to anyone, whether he be a doctor, lawyer or clergyman.

An hon. Member: Then the law is an ass.

[Mr. Peters.]

Mr. Turner (Ottawa-Carleton): This rule of non-deductibility in the Income Tax Act has been a fundamental principle of that act for several decades. It must be recognized that every person who works must get from his place of residence to his place of business. We understand that. But, to give a deduction of the expense of getting to work would be to give a tax subsidy to those who choose to drive rather than take public transit—

Some hon. Members: Oh, oh!

Mr. Turner (Ottawa-Carleton): —to those who choose to live far from their place of work, rather than close, and to those who choose to drive a large automobile rather than to those who drive a small one.

Mr. Clark (Rocky Mountain): Nonsense.

Mr. Turner (Ottawa-Carleton): Given that every worker has the expense of getting to work—

Mr. Clark (Rocky Mountain): That, too, is nonsense.

Some hon. Members: Oh, oh!

Mr. Turner (Ottawa-Carleton): Mr. Chairman, I understand hon. members opposite were concerned about not being given a fair hearing. Perhaps we could have a reciprocal understanding, and perhaps hon. members will allow me to say what I must say.

Given that every worker has the expense of getting to work, it has always been recognized that the disallowance of these expenses is the most equitable way to deal with the considerable disparities in the amount of expenses incurred. This is undoubtedly more equitable than permitting a deduction which would vary appreciably as between taxpayers, and offsetting the substantial revenue loss by a general tax increase.

As I said earlier in this debate, because the energy shortage arose we were compelled to raise the price of oil and gas. We were compelled to finance the deficit in the oil account in order to preserve a single, national price for oil. This being so all Canadians, each one of us, must understand that, to a certain extent, we must change our lifestyles; to a certain extent we must curtail our use of transportation; to a certain extent we must use public transportation and, to a certain extent, resort more to using car pools and other ways of saving energy. If we do not do this the ten-cents tax will be minimal compared to what this country will have to do in order to become, self-sufficient in oil and gas.

Some hon. Members: Hear, hear!

Mr. Turner (Ottawa-Carleton): I do not deny for a minute that there will be cases of hardship. Unfortunately, there is no equitable way to cope with these situations which is administratively feasible. If the government were to allow a rebate of the special excise tax, it would be virtually impossible to ensure the extent to which individual claimants actually utilized their cars to get to work. Somebody, or more likely, a large group of people, would have to be employed doing nothing but determining whether public transportation is available from any particular residence to a particular place of work. To give a