

lation of buildings. That is what was inserted in the act, but we had trouble with the definition. It took two years to convince the government, on behalf of a manufacturer in Edmonton and one elsewhere, that wheat straw compressed under high pressure steam, a form of insulation board manufactured for the last 30 years, was in fact an insulating material. Because it stood up and could be used between the joists in steel buildings and in roofs as purely an insulating material, the department decided that while it was originally an insulating product, it was also designed to give strength to the building. It therefore did not qualify.

I made two direct appeals, going up the scale through officials in the department, through the deputy minister, to the minister. I provided samples of the material and descriptive literature and won a part concession, but the final answer was no. My constituents had to pay thousands and thousands of dollars which, of course, they in turn collected from their customers. Eventually, someone in the province of Quebec took a case to court. The court agreed with us, and then the department had to refund to my client and a number of other manufacturers of the same type of materials, the tax they had paid.

Strangely enough, Mr. Speaker, I have not been able to find any record of how much the department had to refund as a result of that errant interpretation, nor under what item the tax was refunded. When we reach this particular point in committee of the whole I trust that the parliamentary secretary will alert the minister and see that he is provided with the information I want.

We now have a much more precise definition. It may make sense. It would be interesting to know what types of insulating materials will now be excluded from this definition as it is worded.

There is one measure that is to the advantage of everybody. I do not suppose anyone had thought about how high the excise tax was on trailers that are used as homes. We have a very mobile population today, Mr. Speaker. People working in the oil fields, and on construction sites removed from major urban centres, live in these trailers year round. I suppose at one time they were deemed to be pleasure vehicles—something you took to the lake in summer. They were deemed to be a luxury item and as such attracted a 25 per cent tax on the sale or duty paid value.

The hon. member for Vegreville (Mr. Mazankowski) and the hon. member for Lisgar (Mr. Murta) will speak about the increase in the user tax and sales tax for people using Department of Transport installations. The parliamentary secretary had a lot to say at the beginning. I think he said there was going to be a cut of half of 1 per cent in the cost of living as a result of the reduction from 12 per cent to 9 per cent in the manufacturers sale tax. He then did not say how much the increase in the user tax at the airports will increase the cost of living by the increase in the cost of travel. Considering that the majority of travel in this country is by air, how much does he think the Ministry of Transport will collect as a result of that

### *Excise Tax Act*

increase in tax? That is rather a substantial amount. Let us read paragraph 17:

● (2140)

The ad valorem tax imposed on the amount paid or payable for transportation of a person by air within the taxation area,—

That is Canada. The paragraph continues:

—as defined for purposes of part II of the said act, be increased to the lesser of 15 per cent and such amount as may be prescribed by order of the governor in council on the recommendation of the Minister of Transport.

Paragraph 18 of the ways and means motion reads:

The specific tax imposed on the amount paid or payable for transportation of a person by air from a point within the taxation area, as defined for purposes of part II of the said act, to a point outside of the taxation area—

That is from Canada to the United States. The paragraph continues:

—be increased to the lesser of \$15.00 and such amount as may be prescribed by order of the governor in council on the recommendation of the Minister of Transport.

That is a substantial increase. In some of our airports in Canada this is downright taxation. It is not a user fee, it is downright confiscation. Take the Edmonton International Airport, for example. The daily passenger use of that terminal is far in excess of anything even estimated for 1985. Incoming passengers from abroad going through customs, for over a year and a half, until last June when some minor amendments were made, were handled just like cattle. We unload hogs and beef cattle at packing plants with greater respect than we handle passengers coming off planes late at night. We are told that people will have to put up with this situation until 1982 when the new facilities are expected to be in place. The traffic is increasing all the time and the conditions get worse. But what is happening? It is just like the Post Office, the service goes down but the fees go up.

If I say this applies in Edmonton, I say it applies in other air terminals as well. For example, the situation in Ottawa is terrible. For a national capital to have an air terminal with such poor facilities is ludicrous. There is insufficient parking for the public. In so far as the passengers are concerned they do not have proper facilities. Checking in is a mad scramble, and yet we are all to pay the same fees.

It is a pleasure to go into the Mirabel of the west at Calgary. This air terminal was supposed to cost something between \$30 million and \$40 million and came in at \$138 million or \$148 million. A good part of that was sheer incompetence and procrastination on the part of the Ministry of Transport because it took so long to build. With escalating costs, this business of stretch-out is a losing game in so far as government is concerned.

The government thinks it can stretch projects. This is what it has done in the city of Edmonton. The government says, "Defer for a year, stretch it out." But by doing this, in the end it costs maybe twice or three times as much. This is the shortsightedness of some government policies. This short sightedness not only applies to the federal government, it also applies to municipalities where some city councils have decid-