

Excise Tax Act

those best able to afford ten cents a gallon, plus the additional five cents a gallon which will be imposed by the oil companies, plus the additional amounts, which may range from three cents to five cents more per gallon once the refiners, producers, bulk dealers and retailers pass their mark-up on to the consumer. The final price increase may be between 18 and 22 cents per gallon.

The so-called ten cents increase will cost the motorist either 11 or 12 cents once the markup is passed on. Those least able to afford the new prices must pay them. I ask hon. members is it fair to make those least able to bear the burden bear it? Is it fair or just to exempt those best able to pay? In particular the distinction the Minister of Finance makes between those who must drive to work and those who need not is so outrageous that I ask hon. members how they can possibly support this legislation.

● (1510)

To suggest that a doctor who drives to an appointment—which is driving to work—is any different from the worker driving to the office or plant in which he is employed is, in my opinion, a specious argument. There is no difference. Unless you are driving your automobile on holiday, or driving downtown to pick up your dry-cleaning or something like that, every other use of the automobile is a necessity, not something about which you have any choice, at least so far as a large number of people are concerned.

I presume the minister says that a lawyer driving to his office is going to pay the tax, but when he drives to the courthouse or goes to see a client he is not driving to work and will be entitled to a rebate. I submit that that is so intrinsically unfair that the minister's legislation is not deserving of the support of any member of this House.

Let me remind the minister of what the Canadian Automobile Association again had to say regarding what a number of members on all sides of the House have said in support of an alternative mode of transportation. As I mentioned the other day, the CAA does not disagree with efforts to conserve energy; in fact, it is in support of alternative modes of transportation. According to the CAA:

In all too many instances, there is no alternative to the private car. While conservation is an admirable goal, and one supported by the Canadian Automobile Association, transferring people from automobiles to other modes such as urban transit systems through impositions on the motorist is not acceptable. What is required is to provide a more efficient, flexible, comfortable, convenient, attractive, public transportation system—

Note they say a "public" transportation system.

—which will encourage motorists to voluntarily give up their automobile. And given a chance and an attractive alternative, the motorist will respond.

We also believe that given an attractive alternative the motorist will respond. The trouble with the contention of the Minister of Finance is that he calls for a ten cents a gallon tax on gasoline, as specified in clause 1, yet in an earlier breath he said that one of his objectives is to encourage people to use alternative modes of transportation. If massive numbers of people were to quit driving their cars to work and instead took a bus, or rode a bicycle or a moped, took the subway, or even flew to work, then the minister would not raise the money that he says he

[Mr. Benjamin.]

needs for the oil compensation fund. He cannot have it both ways, and I suggest this is another ridiculous feature of the legislation.

If the minister had been straightforward about this at the beginning and had said that the objective of the legislation is to raise revenue, that there was no other purpose, then one could understand what he is trying to accomplish much better. He should not have tried to muddy the waters by saying that there were two other objectives, namely, conserving energy and using other modes of transportation. If the people were to use other modes of transportation to conserve energy then he would fall far short of his \$350 million which he needs for this portion of the year, and the \$500 million that he is going to need for each 12-month period thereafter. It is something like the Minister of National Health and Welfare coming forward with legislation to slap another ten cents tax on cigarettes and saying that one of the objectives is to raise money and also to get people to quit smoking. You cannot accomplish both, because if people quit smoking there will be no additional revenue. That shows how ridiculous this bill is, Mr. Chairman.

The minister will get the agreement, I am sure, of many members in the back rows who have been complaining about this bill and, I suspect, catching heck about it back home, if he were to bring in something other than an amendment to the Excise Tax Act which provided for a very modest increase in, say, corporate income tax, individual income tax, or a combination of both. That would give him the money he requires for the oil compensation fund in a much fairer way and he would not have to go through the charade of saying he is trying to get people to conserve energy and to switch to other modes of transportation. I would promise him maximum co-operation from our group and he would be able to put such a bill, as far as I am concerned, through all stages in one day. I do not know how my hon. friend from Winnipeg North Centre would feel about that, but I suspect that many members of the House would approve.

The minister should also look into what is happening about this gasoline tax generally across the country. I suggest his advisers read the submission of the Canadian Automobile Association. If they did so they would realize how unfair is this legislation. It is compounding the unfairness of gasoline taxes across the country in view of the different levels of taxes in the provinces, taxes varying any where from ten cents in Alberta to, I believe, 25 cents a gallon in Newfoundland.

Another matter we object to has to do with the complaint of the counterpart in Ontario of the Minister of Energy, Mines and Resources that the federal government should never intrude into an area which is the preserve of the provinces. When the provincial minister complained that this tax would be an excessive burden upon people who had no choice but to use an automobile, the Minister of Energy, Mines and Resources advised the government of Ontario to reduce its gasoline tax. I can see why he advised them to do that, Mr. Chairman; he wanted to open the door for the Minister of Finance to move in and pick up the slack, which is exactly what occurred in the case of Saskatchewan. Saskatchewan has reduced its gasoline tax by nine cents a gallon to the consumer and it has also