Oral Questions

given the fact that some farm organization representatives are now estimating that this fuel input cost increase is likely to cost something in the order of \$50 to \$200 more per acre next year, does the minister not now agree—

Some hon. Members: Order.

An hon, Member: Come on.

Mr. Daudlin: —that the additional impact of the increased fuel costs as announced by the Minister of Finance last night is likely to result in an actual loss to the producers, by way of income, more closely approximating 16 per cent than the forecast 12 per cent, and that the rebate of 10 cents proposed by the minister is totally inadequate? Does he not agree that a blue Newfoundland herring drawn over and disguised as a tax concession is, in fact, a direct tax on the production of food and an indirect tax on all consumers in this country?

An hon. Member: Right.

Hon. John C. Crosbie (Minister of Finance): Mr. Speaker, the hon. gentleman has very little faith in the farmers of Canada if he is going to take that defeatist attitude. Food is always needed. Canadian farmers can produce it. They are efficient producers, and to assist them the excise tax on gasoline is reduced by 10 cents in connection with farm operations, which will be a considerable boost to them.

In addition, we are assisting the farmers by removing the tax burden when they sell their farms at the end of their careers to help in their retirement. We are going to look after the interests of the farmers; the hon. gentleman does not need to worry about that. On a comparative basis, the farmers will be in good shape next year.

[Translation]

REASON FOR 15 CENTS A GALLON EXCISE TAX ON URBAN TRANSIT SYSTEMS

Mr. Pierre Deniger (Laprairie): Mr. Speaker, my question is for the hon. Minister of Finance. In reply to one of my questions last November 23, the minister indicated that mass transit was a subject dear to his heart, and last night he urged Canadians to cut their consumption of oil products. Can the minister tell the House and the Canadian people why he is imposing a 15 cents a gallon excise tax on urban public transit and thereby taxing the users of this type of service?

[English]

Hon. John C. Crosbie (Minister of Finance): Mr. Speaker, the government is levying an excise tax on urban transit systems which is 10 cents less than on the other sectors in the country—with the exception of farmers and fishermen—to encourage the use of mass transit. In addition, the energy bank which is to be funded from the new energy tax and other energy revenues coming from the energy tax will be used to help assist the development of urban transit systems throughout Canada on the basis that this is a conservation move. So

there will be more good news for urban transit systems in Canada in the next 12 months.

NATIONAL SECURITY

RELEASE OF TASCHEREAU PAPERS

Mr. Tom Cossitt (Leeds-Grenville): Mr. Speaker, I have a question for the Prime Minister concerning recent statements attributed to him by the news media in regard to the release of the so-called Taschereau papers.

Is the Prime Minister now in a position to tell the House approximately when, or if, the papers will be released and whether there was really any legitimate statutory power for the former government not to release them after 30 years? Finally, was the non-release decision made in any way, according to investigations so far, to protect the interests of former Liberal governments?

• (1440)

Right Hon. Joe Clark (Prime Minister): Mr. Speaker, the comment that was attributed to me after a press conference in relation to those files followed a question put to me concerning two files, the Featherbed file and the Taschereau file. I indicated in relation to the Featherbed file that in our judgment it contained primarily gossip and was not a matter to which we intended to give credence by publication.

The question of the Taschereau file is still under consideration. We are looking at a way by which we can have a respected and independent review of the contents of the Taschereau file prior to coming to a decision on whether or not it should be published.

THE BUDGET

SQUARING OF TAX INCREASES WITH ELECTION PROMISES

Mr. Bob Rae (Broadview-Greenwood): Mr. Speaker, my question is for the Minister of Finance. I would like him to confirm that the tax increases which were announced last night—over \$3.5 billion in personal taxes alone—were the highest tax increases since World War II, and that the effect on the average family will be somewhere between \$260 and \$480 a year, net, depending on whether one spouse or both spouses are working.

How can the minister square that tax increase with the promise that he and the Prime Minister took to the Canadian people before May 22, that there was going to be a significant reduction in taxes in the first Conservative budget in 17 years?

Some hon. Members: Hear, hear!

Hon. John C. Crosbie (Minister of Finance): Mr. Speaker, I can confirm that this budget and associated measures contain