

Excise Tax Act

automobiles once they become established in society on a mass basis, and every expert in the field knows this. The minister should go back to his officials and suggest to them that they had better come up with a little better argument than the one of conservation. That argument takes in nobody other than a Liberal cabinet minister.

I want to conclude by saying that we support the motion moved by the Leader of the Opposition this afternoon. We do so because the government has brought in a regressive form of taxation that hits the average and poor people of this country in a way far out of line when compared with others. If the minister wants to pay for increased costs which he claims are legitimate, he should first of all bring forward the kind of information that two ministers of the Crown are supposedly looking at to justify the increase in the price of gasoline. Then he should obtain the additional revenue, if an increase is justified, from general revenues so that people can pay for the increase on the basis of progressive taxation, relatively speaking, on the one hand, and on the basis of corporation taxes on the other hand. We in this party will in no way support the regressive the taxation measure which is at the heart of this bill.

[Translation]

Mr. René Matte (Champlain): Mr. Speaker, in his budget speech the minister almost clearly suggested that the solutions he had put forward to date had not been successful. When the man who holds the country's purse strings confesses that what he already did was not effective there is reason to wonder whether what he proposed in the budget and this bill in particular will produce the results hope for. We have every reason in the world not to believe in the effectiveness of such a measure. Of course, what struck people most in the whole budget speech was that sort of anniversary gift to commemorate last year's election when he announced that they were going to increase the gallon of gas by 10 cents and eventually another 5 cents. I would have liked to see the Minister of Finance (Mr. Turner)—or any other government member—explain in June last year what he would do a year later, and see what the reaction of the people would have been to hear about those solutions advocating increases that only help fuel inflation.

Mr. Speaker, one of the basic points on which one must stop to think before assessing the soundness of such a recommendation as contained in Bill C-66 is to know what is the situation in this country with respect to oil since once and for all those who are called upon to make the decisions for the country as a whole, those who govern, should base their judgments on very specific facts and not border on ridiculousness when passing new laws or regulations. For example, Canada, particularly in certain areas, is an oil producer. That is a fact. Recently I asked the Minister of Energy, Mines and Resources (Mr. Macdonald) on a motion introduced pursuant to Standing Order 43 that he submit to the House a complete inventory of all our resources in that respect. This is some sort of a mystery, we know that the potential exists and may even be fantastic. What stages have prospecting reached? Multi-national oil firms have been granted tax exemptions to permit them to spur prospecting. But what have been the results to date?

● (1720)

What are now Canada's true reserves, and what will these reserves be in the future? How much oil can we produce now? What would be the production capacity? We do not know. What we do know, however, and the minister told us once more this afternoon, is that Canada is exporting one million barrels of oil, if I am not mistaken.

This is a totally absurd situation. When a nation has enough energy, it can produce everything needed for its own consumption. And when it cannot manage to consume its own goods, something is wrong. It would be much easier to achieve uniform prices, referred to by the minister and which seem to be the goal pursued by the bill but which will certainly not be achieved. That goal will not be achieved, because we would first have to bring back to normal a situation that is upside down. Why import oil when we have it at home? This is the basis on which agreement should be reached with every Canadian province.

When I consider such a bill, I wonder whether we should let provinces negotiate between themselves purchases and sales of oil. Why not let Newfoundland, New Brunswick, Nova Scotia, Prince Edward Island or Quebec deal directly with producing provinces, instead of doing this? Certainly there must be a way, if good will is to be maintained, for provinces to deal among themselves, so that first we produce what we need, and then that we may consume what we produce. This absurdity I had to point out.

It has been suggested by the opposition leader (Mr. Stanfield) and the NDP leader (Mr. Broadbent) that the increase will promote energy conservation. This is an illusion. Such increases never stopped anything. It is pointless exercise to impose a 5 cent per gallon increase on wines of every kind with up to 7 per cent alcohol content, and to impose a 2½ cent per gallon tax on wines of every kind with up to 7 per cent of alcohol content. Taxes on alcohol have been raised a number of times, but that never prevented people from drinking their gin, their cognac, their rum. And such a measure will never deter people from consuming gasoline. That is going about it the wrong way.

Moreover, if we needed to reduce our gasoline consumption to save our energy, this would certainly not be the way. It is not because it will cost more that we will do without. This is another argument which does not hold. Not at all.

I even dare say that argument is totally invalid, since other measures would have to be taken if we were to really cut down our gas consumption. Let there just be quotas, without necessarily increasing the price; but if there are no quotas, it means that it is not true to say there might be an oil shortage, it means that there can be no possible shortage of oil derivatives. We can doubt that possibility, and therefore I revert to the original argument: If we really had a full knowledge of all our possibilities in that respect, it would be easier to judge, especially as that increase would of course affect small consumers primarily. The bill says, quote:

- (b) a person for commercial or business purposes,
- (c) a farmer for farming purposes,