

sors—but he pointed out that \$1 million is not that important in this context. I tell the House that \$1 million to the residents of Hastings county is a good deal of money. As I say, I know I represent all the people of Hastings when I spend whatever time I can trying to convince the government that this ten cents tax is iniquitous, demoralizing, disgraceful and shameless. People in all walks of life, particularly working people, find it extremely difficult to pay this extra ten cents tax.

The county of Hastings is a large county, although not as large as that of my colleague and neighbour, the hon. member for Parry Sound-Muskoka (Mr. Darling). It is a long, narrow riding, roughly 100 miles from north to south and it is about 30 miles wide. The county seat is in Belleville. Over the years during which I have been involved in municipal politics and public life in the area, we have tried to encourage north-south commerce in the county. As I said, the only major city is Belleville, and there is also the small city of Trenton. The rest are all villages.

In the north end of my riding we have timber and minerals. Timber, of course, is down in production now. The Domtar plant north of Bancroft has either not been running or running on short shifts. Fortunately, the situation with minerals is good. The Madawaska Uranium Mine is getting ready to commence its operations, and the Marmoraton Mine in Marmorata has a reprieve of four or five years of operation. Commerce and industry are largely in the south, in the area around Belleville. The supplies travel from south to north, and the raw materials from north to south. However, people drive in between.

If you think, for example, of people in Deloro, Malone or Millbridge who have to drive to Belleville because the industry in which they worked was closed, you will realize that these people are now faced with the necessity of driving 35 or 40 miles each way. I know they use car pools and try to save as much as they can in the cost of transportation, but necessarily it will cost them a great deal of money. That is just one example. We also have people in Belleville who used to work in the Farraday and Grey Hawk and Dyno mines in Bancroft and who are now looking forward to working in the Madawaska mine.

● (1650)

There are people in Belleville and district who travel as far as Oshawa to go to work. Because of lack of protection by this government, the Ideal Vendors plant is closing in the Deseronto area. These people will have to travel extra mileage in order to get to work. We cannot blame them for that; it is not their fault that they have to travel this way. But they are being taxed because this is their way of life. There are no trains or buses travelling north and south in Hastings county. There is no means of public transportation. People must use their own transportation, and when the time comes for negotiations with the industries this year and next year it will not be unreasonable that the men and women who work in the industries will want a wage increase to cover this tax. This tax is fueling another round of inflation and is escalating costs, not only in the consumer price index but also in the cost of labour and other areas.

#### *Excise Tax Act*

The Highlands of Hastings is one of the more famous tourist areas in my part of Ontario, with all due respect to the hon. member for Parry Sound-Muskoka. A tremendous number of tourists come through our area. These include many Canadians and a great number of Americans on their way to the myriad lakes which are part of Hastings county, or the gateway to Algonquin park. This tax is designed to hurt our tourist operation. It can do nothing else.

In addition to people writing to me—and we have heard other hon. members quote from letters—I have already received resolutions from the municipalities in the area. The municipalities, as commercial enterprises, are exempt in their dealings, but the municipal councils feel very strongly. Already the village of Madoc is on record, dealing with the proposed increase effective in July, as saying that it is excessive and not justified. They sent notice of their opposition to the county of Hastings, where I know some 30 other municipalities will agree. Very shortly I will have a flood of letters from municipalities in the county asking that this tax be removed.

The ten-cent tax is quite unnecessary. The hon. member for Scarborough West said that it must come out of the cost of gasoline. I do not think it need come out of the cost of gasoline for once, and I intend tonight to look to see if there is a second moon in the sky. I agree with my colleagues to the left both physically as well as physiologically.

**An hon. Member:** Philosophically.

**Mr. Ellis:** Yes, philosophically.

**An hon. Member:** Probably physiologically as well.

**Mr. Ellis:** Probably.

**Mr. Epp:** They are left in every way—left out, in fact.

**Mr. Ellis:** The approximately \$500 million which this tax will return to the federal coffers will be used for nothing else but to fuel federal government spending. It could just as easily come out of the general revenue of the government by putting into effect some savings. I just do not buy the estimates of the Minister of Finance.

**Mr. Martin:** Where?

**Mr. Ellis:** The hon. member for Scarborough West asks where. Let us consider some of these. The cutbacks promised by the Minister of Finance are phony. Two of these cuts, Petro-Can and the Federal Mortgage Exchange Corporation, do not even exist at the moment. Petro-Can, as we all know, was created here just a short while ago, and the Federal Mortgage Exchange Corporation was created 18 months ago. Neither has anything in the estimates now, yet the minister says he will cut them back. The minister mentioned that there were two other agencies. One was the Federal Business Development Bank, which is really still the IDB, and the other was the Farm Credit Corporation. Both of these were conceived to help small businessmen and farmers. It seems to me that those are poor choices in which to make cuts. If we want to cut back, how about cutting back Information Canada? Let us throw the