

Excise Tax Act

carrier, at a toll per mile or per hour for the charter of the entire aircraft, or at such other tolls as may be permitted by the committee.

Class 4, group AA, being commercial air services operated with fixed or rotating wing aircraft having a maximum authorized take-off weight on wheels in excess of 35,000 pounds.

Class 4, group A, being commercial air services operated with fixed or rotating wing aircraft having a maximum authorized take-off weight on wheels in excess of 18,000 pounds but not greater than 35,000 pounds.

Before passing on to class 8 may I digress and say I am advised that the effect of the proposal would be to exclude small aircraft providing charter service, those having a take-off weight of less than 18,000 pounds. I now move on to class 8.

Class 8 international air carriers, being domestic or foreign air carriers designated by the government of any state and authorized by the committee to operate an international scheduled air service between Canada and any other state, pursuant to an international agreement to which Canada is a party.

I would be happy to go on and read the other categories. In most cases they deal with international services. Perhaps with the consent of the committee I could undertake to have this printed in *Hansard*. If the committee prefers, I will read them. Since I gather it is the disposition of the committee for me to continue reading, I will do so.

Class 9-2 international non-scheduled air carriers, being domestic or foreign air carriers authorized by the committee to operate, between Canada and any other state, a commercial air service of a class performed by a class 2 air carrier.

Class 9-3 international non-scheduled air carriers, being domestic or foreign air carriers authorized by the committee to operate, between Canada and any other state, a commercial air service of a class performed by a class 3 air carrier.

Class 9-4 international non-scheduled air carriers, being domestic or foreign air carriers authorized by the committee to operate, between Canada and any other state, a commercial air service of a class performed by a class 4 air carrier.

Class 9-4, group AA, being commercial air services operated with fixed or rotating wing aircraft having a maximum authorized take-off weight on wheels in excess of 35,000 pounds.

Class 9-4, group A, being commercial air services operated with fixed or rotating wing aircraft having a maximum authorized take-off weight on wheels in excess of 18,000 pounds but not greater than 35,000 pounds.

I believe, Mr. Chairman, I have covered all the classes listed in proposed paragraph (a) of the proposed new Part II.

Mr. Lambert (Edmonton West): Mr. Chairman, this would tend to confirm the point that I was trying to make yesterday and, frankly, it is contrary to what the minister was trying to put to the House as justification for the ad valorem tax. I clearly indicated that a number of people will use air transport facilities as passengers but not necessarily cash passengers. They will use the airports, air transportation facilities and communications networks as much as anyone else, but they will not be paying any tax. That is why I make this additional argument that there should be a flat rate air departure tax. This would make more sense and would spread the burden equally.

If a business transports its personnel by its own aircraft, that is its own decision, but they are using air transport facilities. This should be a cost of their business in the same way as those personnel who are using regular scheduled aircraft. I can see there will be marginal operations wherein it will be of advantage to purchase a private aircraft in which to transport employees for business purposes. There is to be a 5 per cent tax, and if these passengers travel a great deal they will be removed from the clientele of the scheduled airlines and, in other areas, the charter services and the government will not receive the revenue contemplated by this bill.

I am not particularly anxious to see another tax imposed on the Canadian people, but if we are looking at an equitable base for a tax on the basis that it is required to pay for air transport facilities whether they be airports, terminals, runways or guidance systems—that is the take-off and landing facilities as well as the personnel that go with them, the radio beams that are maintained and all the safety features that go into Canada's air transport facilities—this should be a user tax. I agree that these costs should in part be borne by the traffic, but why not spread them evenly on the basis of a flat rate departure tax? This is done in many other major countries of the world. Air terminals such as the one serving London, which is very much larger than any we have in Canada, impose a departure tax. I have been through airports such as that and I