

The Budget—Mr. Goode

new system. The dealers should have been given a similar amount of time. But the government has not followed this course.

I sometimes wonder whether members of the administration opposite really understand what happens in rural communities. Do they have any working knowledge of the way in which farmers finance their operations, how they work through their co-operatives or private business agencies to meet a harsh economic situation? I doubt very much whether any great trouble has been taken to find out. I say this after reading that the brief from the Co-operative Union of Canada setting out its position, and acquainting the minister with the facts, seems to have been ignored; the minister and the department went blithely ahead despite these submissions, and slapped a 5 per cent tax on employed capital—not on earnings but on capital, money which is provided by the ordinary little guy who purchases from these co-operatives. I do not think any great attempt has been made to understand.

• (3:30 p.m.)

Mr. Tom H. Goode (Burnaby-Richmond-Delta): Mr. Speaker, when the white paper on tax reform was debated in this House, I was one of the first to argue that substantial modifications would have to be made in the provisions affecting small businesses before legislation was introduced. It is a measure of my very great satisfaction with the changes that have been made that I am able to turn my attention in this present debate to matters other than tax reform and budgetary policy. I do, however, as chairman of the standing committee concerned with environmental matters, want to particularly congratulate the Minister of Finance (Mr. Benson) for his decision to remove the 12 per cent sales tax on all anti-pollution equipment used in industry.

I intend to speak today about a matter which is of great concern to myself and my constituents. It is a complex problem, involving as it does the threat of a divided community, increased costs to thousands of workers and a disagreement between the federal and provincial governments. The point at issue is the announced intention of the government of Canada to toll the access facilities to the Vancouver International Airport, thus making this airport the only one in Canada with a federal toll. How did this unfortunate situation come about? The answer, given as long ago as 1968 by the then Minister of Transport, is that the new Hudson Street Bridge and airport access road complex must be tolled because the government of British Columbia has refused to accept any responsibility for the \$21.2 million cost of construction. The federal government, forced to go it alone because of the lack of provincial co-operation, has felt it necessary to try to recover some of the cost of the project.

Let us go back to the beginning. Ever since the federal government purchased the Vancouver airport from the city of Vancouver in 1962, it became year by year more and more evident that because of the airport's extremely rapid growth a new access from Vancouver to Sea Island would be necessary. Therefore, the provincial and federal governments retained the consultant firm of Phillips Bar-

ratt Hillier Jones & Partners in 1964 to study alternate locations for the approaches to the bridge. The conclusion arrived at was that a bridge connecting with Hudson Street on the Vancouver side was the preferable alternative. In 1967, because of the need for upgraded traffic data and forecasts, N.D. Lea & Associates Ltd. were retained by the two governments to make the necessary projections of future traffic. This seems to have been the limit to which Premier Bennett was prepared to go in terms of federal-provincial co-operation. Perhaps this should not be surprising, Mr. Speaker. The premier was probably embarrassed by the assumption in the N.D. Lea report that the Knight Street bridge would be completed by 1969. At its present rate of construction it likely will not be finished until 1979! Even when, or perhaps I should say "if", the B.C. government does condescend to provide the people of my riding with the Knight Street crossing that is so obviously needed, it will by that time already be functionally obsolete.

The 1967 N.D. Lea study indicated that a further crossing of the north Fraser would be required, in addition to the Knight Street crossing, in the early 1970's. I do not think it is unfair of me to suggest that what Premier Bennett is trying to do is to have the federal government pay for a Fraser River crossing that his own provincial government should be providing. He knows well enough that Sea Island lies in the path of what might be called the north-south Richmond to Vancouver downtown desire line. It therefore follows that traffic which tries to find the shortest route will tend to choose a crossing between Richmond and Vancouver via Sea Island. Even motorists who ordinarily would not use the new crossing will be forced to do so because the B.C. government has not seen fit to build the required Fraser crossings. The Oak Street and Fraser bridges are functionally obsolete now, and the Knight Street bridge will reflect that sad state of affairs before it is even built.

I submit that even if the Hudson Street bridge and Sea Island access road did in fact serve only the Vancouver International Airport and related industries, the provincial government, if it were sincere in meeting its constitutional obligations, would have a duty to share in the cost with the federal government. Now that it becomes clear the Hudson-Dinsmore route is going to be heavily used for traffic, if for no other reason than the failure of the B.C. government to plan for the future by constructing the needed bridges, it is especially incumbent upon the province to bear part of the cost. However, as I have said, Mr. Bennett has shirked this very legitimate obligation.

Nevertheless, and very much to the credit of the federal government, the Department of Transport has decided to go it alone in order to satisfy the pressing need for improved access to the Vancouver International Airport. This is commendable, but I must say the imposition of tolls would be a case of doing the right thing in the wrong way. A toll system would undoubtedly cause serious difficulties and is clearly undesirable. To begin with, in terms of federal expenditures, it adds some \$700,000 to the capital construction cost of the project, not to mention the cost of administering the toll system. I would,

[Mr. Gleave.]