

Excise Tax Act

he will give favourable consideration to this suggestion.

Mr. Skoberg: Mr. Chairman, I should like very briefly to pose a question to the minister. Earlier in the day he suggested that this tax covers a whole range of services. We can appreciate that if it is the intent of the bill. I should like to ask him to inform the committee whether his department has had any consultation with other departments in so far as the correlation of rates for air services is concerned.

Yesterday we had the opportunity of hearing representatives of certain airlines who appeared before the Standing Committee on Transport and Communications. They admitted that the rates on short runs were some 40 per cent more than the rates for the same services on other legs of scheduled runs. I suggest that the people who must use these scheduled runs have from this government no protection as users or consumers of the service.

It was my impression that when rate schedules were published and filed with the Canadian Transport Commission and the air transport committee their members looked at the rates and considered whether they were justifiable and in line with general marketing practices in Canada. Instead I find that there is absolutely no consideration by the Air Transport Committee in so far as rate schedules are concerned. All an airline has to do is publish its rates and they are then filed with the Air Transport Committee; no consideration is then given as to whether the airline is charging an exorbitant amount on a particular leg of a flight.

The minister should let this House know whether his department in presenting this user tax has considered it in consultation with other bodies, particularly the Department of Transport and the Canadian Transport Commission. This government should become the protector of the consumer by limiting the rate schedules that can be charged by respective airlines.

We have heard a great deal about supply and demand. This point was brought out yesterday at the hearing of the committee; it was suggested that there is no such thing as control on price unless an individual complains, when possibly an investigation would be held. The hon. member for Gander-Twillingate and the hon. member for Grand Falls-White Bay-Labrador made it very clear that the rates being charged in their area of the country are

[Mr. Crouse.]

not in line with those charged in other areas. If this government is concerned about consumer cost it should inform the House whether it is prepared to protect the users of airlines.

The government should be directly concerned with the 5 per cent charge embodied in this bill, and it should indicate whether during the drafting of it other government departments were consulted. It appears to me that one department of the government has no knowledge of or much concern for the operations of another department. Before introducing this bill the minister should have considered the cost to the consumer of the original air schedule in various parts of the country. This increase of 5 per cent imposed on people already paying higher rates will have a considerably greater effect than it will have on those now paying lower rates.

The minister stated previously that private planes were not included within the scope of the bill. It is amazing to me that when dealing with the bill the minister did not indicate whether private planes landing and using services at public airports would have to pay the additional charge. Surely if the consumers or users of this service will now have to pay an extra 5 per cent, those with private planes using the whole range of services to which the minister referred should expect an increase in the cost of these services. The minister passed this off by saying that someone else will look after it. Does he not have an obligation to include in the bill people who have private planes and use these public services? It seems to me you cannot talk about one and not the other. Perhaps the minister will indicate whether he has been in contact with other departments about this bill or whether he alone initiated its drafting and introduction.

Mr. Skoreyko: Mr. Chairman, I should just like to ask one question. The minister is undoubtedly aware of the fact that most of the major airlines in the United States have commenced a feasibility study in respect of terminals for giant freighters. He must also be aware that much of the damage to runways across Canada is caused by these types of aircraft. I assume he requires this additional revenue to look after this extra cost to some extent.

Is it fair to penalize the passenger because of an additional requirement for revenue to be used for this type of maintenance? I do not want to create the impression that I feel air freight rates should again be increased, but I