

what do we get? The minister suggested there would be no increase in personal taxes for the average person this year. However, we get a cumulative increase of about \$200 per year for the typical family in Canada as the result of this budget.

Mr. Symes: The people's friend!

Mr. Broadbent: As my colleague says with a great deal of irony, the people's friend. If you look at the budget with any care at all, you discover that it is the most regressive budget that any minister has brought in since the Prime Minister (Mr. Trudeau) assumed office in 1968. This budget increases the tax burden through regressive taxes on the average and poor people of this country, and leaves those in the upper income bracket and the corporations virtually scot-free.

I now want to turn to the excise tax which is the essence of the bill before us this afternoon. The minister said that this tax is needed to pay for the increasing gap between the revenue raised by the export tax on our crude oil and the compensation payments we have to make to the oil companies for imported oil on the east coast of Canada.

The minister said earlier, and again this afternoon, that several hundreds of millions of additional dollars are needed in the fiscal year 1975-76 to cover the increased cost. What are our objections? I repeat with emphasis the point made by the Leader of the Opposition. We do not agree at all with assuming the legitimacy of these increased prices, and I will deal with that in a minute. We think this is the most regressive way the minister could possibly have selected of raising the additional revenue to pay the increased cost. Why? Because for most people in this country the automobile is a necessity. It is not a luxury item that one uses simply for recreational purposes.

If we in Canada had developed rapid transit systems in our cities, and an efficient railway system designed to carry millions of people between them, there might be some sense in the minister's argument that the conservation result would be there because people would turn to the alternative method of transportation. The fact is that the alternative method of transportation is not there.

As the Leader of the Opposition said, there are many people in Nova Scotia, and longshoremens in British Columbia, who have to travel many miles every day for employment purposes. This is not in any sense a voluntary exercise. Nor do they have any control over it. They cannot turn to some alternative form of transportation. What does the minister suggest? Bicycles? People would have to travel overnight in order to be there in the morning. We say this is a regressive tax being imposed on ordinary people. They have no option if they are to keep their employment.

It is worth noting the categories of people who are going to be compensated for the tax. Most working people who travel to work in offices or factories will be excluded. However, if I understand the proposals correctly, certain professionals such as doctors and other upper income people will be permitted to claim compensation. Under the tax law they have the right to use their automobiles for professional purposes. As I understand it, those people will be receiving compensation for the tax. Unlike the

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ordinary working people who have to use their car to get to and from work, but do not use it during the course of work, they will not have to pay the full amount. There is then a maldistribution of the burden of this tax.

I want to add another point about the personal use of the car. There are real problems in our large cities as a result of automobiles. It is certainly my view that we will have to remove the automobile from the centres of our largest cities if they are to become habitable once again. I am by no means one of those who see the automobile as a creation of unqualified virtue. There certainly are problems associated with the automobile that need correcting or curtailing.

There is, however, one very important aspect of the automobile that will remain with us indefinitely. It will remain as the single most important means for average and low income families taking a holiday in this country, if they are going to travel outside their immediate environment. There can be no doubt that the cheapest way in which the average family can travel from one part of our country to another is by automobile. It is cheaper than air travel and cheaper than the railway.

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This tax means that the average person who depends on the automobile for mobility during his vacation will face a substantial increase in the cost burden. Again, it is the average guy who is more locked into the automobile than the more affluent persons in our society. I include members of parliament in this. We can afford to fly from here to Vancouver, or from here to the east coast. We can afford to take our families with us. But the average person cannot afford to do so. He can, or at least he could afford to take his family on holiday in the automobile. The net effect of this kind of tax will hit the ordinary guy harder than it does those in high income brackets, even in terms of vacation travel. This is apart from the more important point I made a while ago about its effect on people of average income using automobiles as a means of reaching their employment.

I say that in any case this is a bad way of raising the revenue which the Minister of Finance tells us he needs. The alternative is to raise it through income tax and general revenue. I notice that the minister this afternoon, when speaking of possible alternatives, referred only to personal income tax. He did not mention corporate taxes. Was this an oversight of some sort? Of course it was not.

The minister is wrong when he says that the only alternative was to raise the money through the personal income tax structure. Getting it out of general revenue means we would be getting it not only out of personal income tax but out of corporation taxes as well, both of which constitute a much more progressive alternative. As it is, the corporations will not be paying any share of the tax which is now proposed, and even if we talk about those who would be paying through the personal income tax structure we should remember that at least 95 per cent of those who pay personal income tax in Canada are also owners of automobiles. So this would be a much more progressive way of raising revenue than to charge all automobile drivers the same fixed rate.