

supported by government. That is why we oppose the amendments the Bloc is making because it will take away from the direction in which the government is moving.

There is currently a flat fee of \$10 plus 7 per cent to a maximum of \$40 on all airline tickets purchased in Canada. These fees are part of the Excise Tax Act even though they appear to be closer in function to a user fee than actual taxes. All the revenue is directed toward the Department of Transport which routes the funds to the aviation component of their expenditures. This tax makes up most of the funding for aviation services provided to all Canadian airports whether they are public or private. These services include air traffic controllers, aviation control for take off and landing and air navigation costs.

Current revenues from this tax of nearly \$600 million do not fully cover the government cost of aviation which runs at about \$870 million. Because of the implementations the government wants to make, this airport tax would come closer to meeting the actual costs of this by the airlines, then we would support that and therefore oppose the amendment.

To reduce the tax burden on short haul, domestic and trans-border flights by decreasing the flat charge per ticket and increasing the maximum fee is one change that was to be made, along with a flat fee decreasing to \$6 and the maximum increasing to \$50. This is good.

Last, the change would bring an additional \$24 million in 1994 and an additional \$41 million in 1995. That is a positive move. The burden on the taxpayer would be reduced.

•(1615)

In analysing this, this levy should not be part of a complicated tax system. The funds do not go into general revenue but are spent specifically on aviation. Therefore we should change this into a user fee on a full recovery basis.

We support these changes toward this move to more fully recover the costs that are experienced in this area. However we also acknowledge the difficulties with giving any department both a monopoly on revenues and a monopoly on service delivery. Mechanisms must be in place to ensure cost effective delivery.

Perhaps we should look closer at what the possibilities for privatization of these services are. We could probably even save the government more money if we looked at this whole area of privatization.

We support this change. It makes the air transportation tax move toward a full cost recovery basis. Further moves in this direction should include changing the tax to a user fee administered by the Department of Transport. This would necessitate adequate competition in place to ensure cost effective delivery service.

Government Orders

In summary, we are opposed to the amendments that the Bloc is making. We support the direction in which the government is going. It is not far enough but it is heading in the right direction. We would like to see it consider more privatization of this and more of a user fee cost recovery basis.

[Translation]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

And the division bells having rung:

The Deputy Speaker: Pursuant to Standing Order 45(5)(a), I have been requested by the deputy government whip to defer the division until a later time.

[English]

Accordingly, pursuant to Standing Order 45(5)(a) a division on the question now before the House stands deferred until later this day at 6.30 p.m., at which time the bells to call in the members will be sounded for not more than 15 minutes.

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DEPARTMENT OF LABOUR ACT

The House resumed consideration of the motion that Bill C-30, an act to amend the Department of Labour Act, be read the third time and passed.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.