

*Excise Tax Act*

ness or even, at times, unfortunately, to get to the hospital. Again today at noon, a sick person took the plane that flew us from Val-d'Or to Ottawa in order to get to a better equipped hospital where the required care can be given. Now, that person had to pay his own way.

All those increases will again play havoc with the budget of Canadian workers. We see, once again, in this Bill C-66, that the Canadian government ignores the needs of those who reelected it, with a majority, in 1974. More and more, and always, the low wage-earner is being harassed. For those reasons, and because my electors gave me the mandate to protect them, to try to obtain from the Canadian government the best possible laws, I feel that this bill is definitely not a good one for the Canadian worker, and that it is my duty to vote against it.

● (1730)

[English]

**Mr. William Knowles (Norfolk-Haldimand):** Madam Speaker, I am pleased to participate in the debate on Bill C-66, the purpose of which is to implement certain budgetary proposals of the Minister of Finance (Mr. Turner), specifically those relating to excise tax amendments. I support unequivocally my leader's amendment, which seeks to hoist this bill for six months. I shall say more about this later.

I want to speak particularly about the proposed ten cents a gallon tax on gasoline. When introducing this proposal the minister said he had two motives in mind. First, he wanted to finance the subsidy with which to maintain uniform oil prices across Canada. Second, he wanted to encourage conservation of petroleum products. We cannot quarrel with his first motive. The minister must find extra money to subsidize oil costs. We have serious reservations about the second motive, ostensibly that of encouraging conservation of gasoline.

The proposal for taxing gasoline at ten cents a gallon will bring the government about \$525 million. It is estimated that the oil subsidy program will cost about \$400 million; so we have here an over-kill of \$100 million. The government is raising too much money. It is not necessary.

We doubt if the conservation aspect of the program will work. The minister hopes to cut down on motoring for pleasure. The people who motor purely for pleasure are either wealthy or are in the larger than average income bracket and they, of course, will buy gasoline no matter what it costs. The pressure of any conservation aspect on these people will be practically nil. The other group which drives a great deal is the computer group. Some people must drive their cars to work, and they will buy gasoline regardless of cost. The effect of the conservation measure on these people will be nil. In the opinion of members on my side, the conservation aspect of this legislation is a snare and a delusion. I make no apologies for repeating what has been said. This iniquitous tax will do much harm.

We must consider the unfairness and discriminatory nature of this tax. Surely it is patently wrong to force the motoring public to pick up the cost of the oil subsidy program. Motoring for most is not a luxury but a necessity. Surely it would be fairer to have the subsidy program

[Mr. Laprise.]

financed from the consolidated revenue fund, or from general taxation.

If the government wants to save, wants to cut down, it should curtail its wasteful expenditures and some of the programs it has foisted on the public.

**Mr. Stevens:** Hear, hear!

**Mr. Knowles (Norfolk-Haldimand):** The government could cut out several programs. Some Local Initiatives Programs are questionable; Opportunities for Youth is certainly questionable. Above all, the government could save with respect to Information Canada, which is nothing but the propaganda machine of the Liberal government. It could be cut out, with great savings.

Second, it is patently wrong to force the working commuter to pay for the subsidy. As far as I am concerned, it has been put on the backs of the working poor of this country and can only lead to increased wage demands. These, certainly, will be an important factor in increasing the pressure of inflation. It is estimated that the proposal will increase inflationary pressures by about 2 per cent. For most people, public transport is non-existent. It does not exist for about 80 per cent of the working people of this country. The minister talked about car pools. Surely he knows that people already use car pools. Where they can, the working people of this country use car pools.

I now want to quote parts of two letters and repeat part of a telephone conversation, to underline the harmful effects of the proposed ten cents a gallon gasoline tax.

The first letter, written by Annie Mae Taylor of Waterford, Ontario, says in part:

On TV Mr. Turner said the price of gas was going up, to cut down on pleasure driving. For his information, 80 per cent of the working public in every town, village or hamlet drive to work some distance. We are not excused gas tax—

We have pride and work for our living. We do not ask welfare. We are not pleasure driving.

● (1740)

I quote from a letter to the editor from J. M. Bryan in the June 28 edition of the *Globe and Mail*:

Mr. Turner forgets that a whole generation of Canadians purchasing homes during the past five years or so have been faced with unprecedented land, house and mortgage costs. Many thus have been forced to locate in satellite or fringe communities, many of them not served by any kind of public transit.

My neighbors and I populate a 300-family development, southwest of Ottawa, which is a typical example. The nearest public transit is about 15 miles away. We have no choice but to commute by private car, an average 26 miles each way.

Based on 350 miles per week of this kind of driving, the Turner gas tax will cost me \$3 a week, \$12 a month and about \$150 a year.

Can I or anyone else in similar circumstances be blamed for trying to offset this increased cost of earning a living in my next work contract?

I had a long conversation with Mr. Jim Lindsay of Port Rowan, Ontario. He pointed out exactly the same thing. He has a 50 mile round trip to work. I will not go into the figures again. They have been cited by several other speakers. In all cases one must realize the inflationary effect of the tax now being imposed.

I wish to speak for a moment or two on the rebate aspect.