

Mortgage Tax Credit
GOVERNMENT AIRCRAFT

Question No. 331—Mr. McKenzie:

Has the Liberal Party of Canada paid for the use of any government aircraft in the period August 16 to October 16, 1978, in connection with the by-elections held on October 16, 1978 and, if so, in what amount for each trip?

Hon. Walter Baker (President of the Privy Council and Minister of National Revenue): In so far as the Department of National Defence is concerned: No. In so far as Transport Canada is concerned: A departmental aircraft was used once by the former prime minister during the specific period. A cheque from the former prime minister, in the amount of \$2,220.00 was received by the department.

STAMP BOXES

Question No. 357—Mr. Herbert:

What instructions were issued, if any, to postmasters concerning the filling of stamp boxes prior to leaving the premises on a weekend or holiday?

Hon. John A. Fraser (Postmaster General and Minister of the Environment): Although specific directives are not given for weekend or holiday filling of stamp boxes, part III, chapter 12, paragraph 37-1 of the Manual of Financial Procedure states that: "Stamp vending machines are to be serviced as frequently as necessary to ensure that a sufficient quantity of stamp books is always available in the machine".

LETTER CARRIER DELIVERY SERVICE

Question No. 360—Mr. Herbert:

What is the approximate cost, per household, to provide letter carrier delivery service in (a) urban (b) rural areas?

Hon. John A. Fraser (Postmaster General and Minister of the Environment): Cost per householder per annum: (a) \$73.08; (b) \$32.74.

[English]

Mr. Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[English]

INCOME TAX ACT

AMENDMENT TO PROVIDE TAX CREDIT IN RESPECT OF MORTGAGE INTEREST AND PROPERTY TAX

The House resumed from Thursday, November 22, consideration of the motion of the Minister of Finance (Mr. Crosbie) that Bill C-20, to amend the Income Tax Act to provide a tax credit in respect of mortgage interest and home

[Mr. Fraser.]

owner property tax, be read the second time and referred to Committee of the Whole.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, at five o'clock on Thursday I was discussing the budget and the nine envelopes which are involved in the budget. They are: fiscal transfers to the provinces, \$3.6 billion; public debt charges, \$9.8 billion; economic development and support, \$8.4 billion; social affairs, \$23.5 billion; justice and legal affairs, \$1.2 billion; external affairs, \$1.6 billion; defence, \$4.9 billion; Parliament \$100 million; and government services, \$3.9 billion. And if there is a rise in OPEC oil prices, there will be a further drain for oil compensation payments.

This bill will go some way to allow money to remain in local hands and allow the local authorities a wider discretion in spending at the municipal level. Critics of this bill have said it will cost the federal government some hundreds of millions to billions in lost taxes. That is so, but it will also open up for the local governments an opportunity for higher tax revenues at the local level.

Municipal politicians are the only ones left who have any fear of the voters as to the handling of financial affairs of the citizens. It has been said both here and in Washington, in the U.S. experience, that the federal mandarins do not like this system of taxation with tax rebates for taxes and interest. Of course they do not like it because it reduces the federal government and the central executive, and hence the scope of the central executive of our government, to embarking on the massive and grandiose plans that so many centralists want to have. I have always said that the local municipal authority can spend taxpayers' money three times as profitably as Ottawa and twice as profitably as the provincial administrations. There is always much more return for the dollars spent of taxpayers' money when it is spent by municipal officials than by either federal or provincial officials.

Bill C-20 will open up for municipal officials greater taxation fields, and with the close scrutiny that municipal officials are subjected to in the spending of taxpayers' money it should be a decided advantage. And, of course, Ottawa will have less money to spend on its grandiose schemes. I am sure not many Canadians would miss the CBC budget being reduced somewhat.

Mr. Speaker, this measure will encourage home ownership. It will encourage Canadians to have a stake in their community and the country. Of course, this does not go well with the opposition who would much prefer a socialized housing stock. Nearly everyone for at least a portion of his life would like to own his house and to have the sense of security that ownership brings. Inflation has heightened the fact that home ownership is one of the best methods that a modest individual can use to prevent the ravages of inflation. Home ownership is considered a savings by our economists and we cannot hold the ideal too high. Savings are necessary if our society is not to become entirely owned and operated by the state.

This bill goes a long way to promote the ideal that home ownership is a good thing and should be spread widely over the