

rights of people who are retired or about to be and I want to assure you that I am interested in anything that has to do with housing and I follow all programs very closely. Keep up the good work.

Yours truly,

Marie-Paule Langlois,

President
Rosemont Boulevard Co-operative Housing

Mr. Speaker, when people write letters like that, I think that one should stop criticizing—naturally, being permanently in the official opposition does account for a negative approach—and that after a series of programs such as that one, the Minister of Finance is to be congratulated. The programs which I have just mentioned should provide some 65,000 jobs during the next two years. I think that it is important. Moreover, the government is prepared to show some flexibility about the rental support plan which provides interest-free loans of \$7,500. The government is prepared to increase that amount in some areas. It should be remembered that last March that plan was increased to 30,000 rental units and the creation of 50,000 additional jobs is anticipated. And I should add that this is another program of which the representatives from Montreal are proud and wish to make extensive use. Mr. Speaker, the Minister announced that the Canada Mortgage Renewal Plan introduced last November will be extended to December 31, 1983. Thus all home owners having to spend more than 30 per cent of their gross income on their mortgage payment, as a result of a renewal taking place after last evening, will be eligible for a grant of up to \$3,000. It will no longer be necessary to defer interest before becoming eligible for a grant.

• (2150)

Mr. Speaker, I am convinced that the constituents of Montreal-Sainte-Marie will be pleased to take advantage of those housing and job-creation programs. I should like to mention that after consultation with my nine other colleagues from eastern Montreal, we asked for job-creation programs through housing construction and direct assistance to business. This was done after consultation with the people of eastern Montreal during a four-day tour on economic issues. Mr. Speaker, the minister also announced the injection of \$500 million for interest assistance to small businesses, farmers and fishermen. This will reduce plant closures and job losses. Those are, Mr. Speaker, important steps to fight unemployment.

Now let us see the steps taken by the government to bring down inflation, an evil affecting everyone but especially small and middle-income Canadians. We must remember that the minister has asked all Canadians to work together to bring down inflation, but that he insisted on protecting low-income Canadians, including middle-income families receiving family allowances and the child tax credit and senior citizens who receive the guaranteed income supplement. As its first anti-inflation measure, the government has decided to cut pay

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increases to 6 per cent for the next year and to 5 per cent the year after for employees in the federal public sector.

The first affected will be members of the House of Commons, ministers of the Crown and senators. In addition to restricting salary increases to 6 per cent next year and to 5 per cent the following year, the minister has announced that our salaries will be reduced this year. In addition, pay increases for public servants and Crown corporation employees will be limited to the same targets of 6 per cent and 5 per cent for the next two years. Moreover, the government will limit the indexation of personal exemptions and tax brackets to 6 per cent for the 1983 taxation year and to 5 per cent for the 1984 taxation year. Effective January 1, 1983, indexation of the pensions paid to former Members of Parliament and public servants will be limited to 6 per cent for 12 months and to 5 per cent for the following 12 months. Effective the same dates, the indexing factor applicable to family allowances and old age security pensions will also be limited to 6 per cent and 5 per cent for the next 2 years.

However, Mr. Speaker, I am glad to note that the Minister of Finance has protected low income families by increasing by \$50 the child tax credit for the 1982 taxation year which will continue to be fully indexed. This increase will raise the credit from \$293 to \$343 for each child. I believe that this decision is much fairer than that made by the Parti Québécois government in Quebec on January 1, which was to grant no increase in family allowances, and I would like to remind my Progressive Conservative friends in this regard that when they were in power, they had created a committee to remove the universality principle from the family allowance program. Mr. Speaker, I would like to congratulate the minister for protecting senior citizens receiving the guaranteed income supplement in part or in full, which will continue to be fully indexed. Then again the Minister of Finance did not follow the example set by the Lévesque government when they decided, on January 1, to index social benefits at 8 per cent rather than the amount of indexing, and in the case of mothers with children to index at 6 per cent only. He provided instead for increases in the federal family allowances and tax credit. I would also tell my Progressive Conservative friends that as far as the basic pension is concerned, they themselves had a committee looking into the abolition of universal pensions, let alone limiting indexation to 6 per cent. They should be honest in their comments today. Also, veterans' pensions will remain fully indexed.

Mr. Speaker, in order to fight inflation, the Canadian government is not content with limiting salary increases. It is also asking federal agencies that regulate the cost of essential goods and services, such as public transportation, public communications and food, to endorse the objects of this budget and to limit price increases. In addition, the Prime Minister will meet tomorrow with provincial premiers. He will ask them to limit price increases as well within their jurisdiction, and I hope they will agree to that.