

happy, at least in my region, that interest rates are now lower than they have been for the past seven years and that this has an impact on mortgage rates. They are happy because this stimulates the building industry. For a young couple with a \$50,000 mortgage, current lower interest rates represent \$5,000 over five years. This is important and it will stimulate the building industry.

We have made an effort to improve the economy generally. There is now some confidence in our economy, as evidenced by the fact that the consumption of goods has increased by 10 per cent since last year. Car purchases have increased by 23 per cent. These are obvious signs that Canadians have stopped investing their money in mere savings to take part in the economic development of our country. This will have an impact on concrete manufacturers and people in the building industry as it will affect both interest rates and the sale of consumer goods. We must be able to see both sides of an issue. If we ask someone in the building industry or with some education whether he prefers present market conditions or those which existed three years ago when interest rates were around 20 and 21 per cent, I am sure that he would choose the situation today because it is more likely to provide a better future for Canadians than was the case three or four years ago.

**Mr. Deputy Speaker:** The Hon. Member for Glengarry-Pre-scott-Russell (Mr. Boudria).

**Mr. Boudria:** Mr. Speaker, I do not know whether it is worth the trouble answering, but let me try just the same to live up to the situation.

The Hon. Member for Beauharnois-Salaberry (Mr. Hudon) is referring to the interest rate as it was three years ago. I am pleased he did so, and I wonder if he is going in his next supplementary question to perhaps take credit for the sunrise or perhaps tonight's moonlight, or something else which his Government had absolutely nothing to do with. I also ask him whether he wants to take credit for the fact that interest rates also declined in the United States. It would make just as much sense, Mr. Speaker. The level of logic would be almost the same.

Second, concerning the construction rate, I would like to remind the Hon. Member opposite . . . He says that over the next five years, due to low interest rates—for which he is taking credit but for which I refuse to give him that credit—anyway he says that over the next five years, a person would save \$5,000. I wonder whether he is aware that construction groups in Canada have expressed the view that because of the budget brought forward by the Minister of Finance (Mr. Wilson) and also the statement of November 8, 1984, the cost of a home in Canada will increase by some \$2,000, because of this Government's policies, and whether he is aware that by increasing the cost of approval, Canada Mortgage and Housing Corporation insurance premiums, the costs of building

materials, concrete, they are jacking up the cost of building a house by \$2,000 or so a year.

Does he think this is a fair provision, when we are in the process of promoting construction, when a city like Ottawa has a vacancy rate that is so low that people have nowhere to live, and this Conservative Government is striking at people who are trying to buy a home? Does he think that this is fair, Mr. Speaker? We, in the Liberal Party, do not share the view that this is fair and just.

[English]

**Mr. Brisco:** Mr. Speaker, I listened to my colleague, a member of the Liberal Party, with interest and I listened to his comments about the contracts that were signed for a year in advance held by the various ready-mix concrete companies in his riding. I need only observe how very fortunate they are to have those contracts in their pockets.

There are parts of Canada including my constituency in which contracts for a year in advance are unheard of by virtue of the economy which has developed over the past four years and to which there has been a response which is slow in some areas and faster in others. One only need drive around Ottawa to see the nature of the construction industry here. I found it to be a most startling sight when I came to Ottawa in the aftermath of the last federal election. I compare my constituency as it is today to Ottawa as it is today. I can only say that the cement contractors in the Hon. Member's riding are fortunate indeed.

In fact, ready-mix cement contractors from Kootenay West have approached me as well. They see nothing wrong with the levying of this tax. The concern they do advance is about the manner in which it is being levied. They suggest, and I think perhaps rightly so, that that tax would be better levied at the manufacturers' level. They argue that because of winter conditions, there are certain additives that have to be put into the ready-mix to delay the action of the cement and there are certain concerns about distances that have to be driven when a ready-mix delivery may take place 60 or 80 miles away from the plant because of the nature of my constituency in which communities are spread many miles apart. It is the concern of the contractors that the driver of the delivery truck must then make the tax interpretation based on distance driven, the additives and the cost of the product when the driver may not have the education to make those kinds of calculations. Mistakes may be made either in favour of or against the consumer. Those kinds of things do present a problem.

In conclusion, I would only ask that before my colleague comments on all of these taxes, he consider that the Ontario Liberal Government has levied some \$700 million in tax increases on the very items to which he has referred including gasoline, tobacco, beer and wine, alcoholic products and personal income tax. I think the Hon. Member must recognize that if the hat fits, and I realize he requires a large one, he should then wear it.