

There are two aspects to the bill, the tax credit proposals for mortgage interest deductibility and the support given by this bill to home owners so that they may have some relief in coping with increasing municipal taxes, and on those two questions I have different positions.

I was saying yesterday afternoon that the provisions of this bill must be paid for in some manner. It is of some concern to me that this program, designed for the benefit of a few, will be paid for by all. I assume that the government has not changed its mind and that it is still set on controlling and possibly on setting ceilings on federal expenditures, and I ask, how can the government do that? Therefore, I must conclude that this very expensive program of benefits will be paid for by savings in other areas, most probably in the area of social services, increased direct or indirect taxes, a reduction in programs and possibly cutting government services.

If I may be allowed to paraphrase Winston Churchill, never before have so many been called upon to pay so much on behalf of so few.

[Translation]

As I was saying, Bill C-20 to amend the Income Tax Act to provide a tax credit in respect of mortgage interest and home owner property tax is an inequitable measure for most Canadians. As a tax measure, it is unfair because of its selective application and its indifference to the true needs of Canadians in housing. Generally, it does not deal with the great problems of property, the great problems of housing that confront all Canadians, be it potential home owners who want to buy a house for their family or renters who must pay higher and higher prices for shelter. This measure does not help old age citizens, young households or widows or, in fact, the majority of Canadians, to support financially their housing needs in this inflation period.

[English]

This bill will fool no one in my riding. First of all, it is obvious that one must own a home in order to benefit from this bill. Statistics gathered during the last census in my riding demonstrate, and conclusively, the inherent inequities which would result from the passing of this bill. In my riding of Ottawa-Vanier almost two-thirds of the households are rental accommodations. Thus, this proposed act would discriminate against most of the people in my riding.

The inequities are even worse when we look at the situation in detail. Where males are heads of households 59 per cent own their own homes. Where females are heads of households in Ottawa, Hull and Vanier only 29 per cent own their own homes. Of female single parents, only 19 per cent own their homes. It is quite obvious that the fundamental inequities in this bill fall hardest on female heads of households.

Even owning a home does not provide any guarantee of benefits under this plan. If one has already paid for one's home, or for those home owners who are lower income earners, this bill will provide absolutely no benefits. This particular inequity will hit hardest the oldest and the poorest elements of our population.

Mortgage Tax Credit

To provide some perspective as to the extent of this inequity, it is estimated that only 32 per cent of all Canadian home owners will be able to take full advantage of this program. In my particular riding this means that only 10 per cent to 15 per cent of all households would receive any benefits from the mortgage interest tax credit.

• (1520)

[Translation]

The Minister of Finance (Mr. Crosbie), who is sponsoring this bill, is of course supported by all the Progressive Conservative members and with the forthcoming holiday season they are trying to trick Canadians into believing that they will play Santa Claus. They are trying to make Canadians believe that everyone should be happy about this bill. Like a true Father Christmas, the Minister of Finance takes great pleasure in congratulating and praising this government for this measure which is supposed to be a big Christmas gift for the Canadian taxpayer. He has conveniently forgotten to say that 5.5 million Canadian families will receive absolutely nothing for Christmas. Moreover, he is threatening us with elections if the official opposition does not agree to pass this bill before the holidays.

An hon. Member: What arrogance!

Mr. Gauthier (Ottawa-Vanier): It certainly is! Unfortunately, this type of arrogance and blackmail is not acceptable for those of us who have the duty to bring back down to earth the Minister of Finance who seems lost in the clouds, who is regarded as a buffoon rather than as a serious man by the voters, who is beginning to lose the confidence of many Canadians and whose credibility remains to be proven if it is not too late already.

Mr. Speaker, underprivileged Canadians are adamantly opposed to the Progressive Conservative bill proposed by the Minister of Finance as it is basically wrong, politically opportunistic, socially unjust and extravagantly costly for the country.

An hon. Member: Typically conservative!

Mr. Gauthier (Ottawa-Vanier): They are not alone in rejecting this measure since housing experts have warned the minister against such action.

[English]

It is a phony election promise which was changed after the election, flip-flop, flip-flop, from a mortgage interest and home owner property tax deductibility to a mortgage interest and property tax credit plan. They are two completely different things.

The mortgage interest and property tax credit plan—and I will explain it—calls for a mortgage interest tax credit of 25 per cent of the first \$5,000 of mortgage interest paid up to a maximum of \$1,250, over four years. In addition, a \$250