

*Income Tax*

of the Treasury Board at the time and I had some qualms about it, but I understood that the principle of our Confederation is that when one province is hit by disaster more than any others, it is the duty of the government to come to its aid.

**Some hon. Members:** Hear, hear!

**Mr. Chrétien:** Since people said it was a good idea to make money available for home insulation, we decided to apply the program to the rest of the country, making available \$350 for everyone, part of which was to be taxable. I agree that making the program applicable to two provinces only was a difficult idea to sell to the nation; but any observer will recognize that that action had nothing to do with politics. Prince Edward Island is 100 per cent dependent upon oil for electricity; Nova Scotia is 84 per cent dependent. Those two provinces depend on oil, not only for home heating but for the production of electricity.

Since there was so much complaint about this, the government decided to set up another program of the same type. I wish we had been able to provide \$500 for everybody. In the first instance the grant was given to compensate individuals who were hit by the increase in the price of oil more than others. The new scheme has been accepted by all provinces, including my own province of Quebec, and Alberta.

**Mr. Forrestall:** What are you talking about? Just look at the distribution of wealth in Montreal.

**The Deputy Chairman:** Order. The minister has the floor.

**Mr. Chrétien:** Mr. Chairman, I have tried to give a down to earth, clear explanation of the reason the government took action. In my judgment, that was the way we should have operated. If a drought occurs during the summer in one area of the country, then we have a special program to aid that area. If there is a flood, again we have a special program. When these two provinces were hit more by the increased price of oil, we designed a program to help them. We wanted to help those who were suffering most from the increase in the price of oil. I should like to have a vote on this matter right away to see who are the responsible members of the House of Commons and who are not.

**The Deputy Chairman:** The hon. member for Fort William on a point of order.

**Mr. McRae:** Mr. Chairman, I should like the minister to clarify one point. We are talking about \$560 million over seven years—

**Mr. Forrestall:** That is not a point of order.

**The Deputy Chairman:** Order. The hon. member for Fort William has the floor on a point of order.

**Mr. McRae:** No, Mr. Chairman, I do not have a point of order. I have a question I want to put to the minister. He mentioned \$560 million over seven years as being the additional cost of this amendment. He is in no way giving the same

[Mr. Chrétien.]

benefits to the whole country as exist in Nova Scotia and Prince Edward Island; this only refers to making it totally tax free?

**Mr. Chrétien:** Yes, Mr. Chairman. If the amendment carries this will mean the \$350 would not be taxable at all, and the cost to the treasury will be \$560 million over seven years.

**Mr. Whiteway:** Mr. Chairman, I have five questions for the Minister of Finance, and the fifth question will determine how I vote on this amendment. I was in committee this afternoon with his colleague, the Minister of State for Urban Affairs, so if my questions have already been answered I hope he will forgive me for asking them again.

● (2052)

Does the minister have any plans to extend this home insulation program to any home built at any time, rather than the various years depending on the province?

**Mr. Chrétien:** Mr. Chairman, this is a question on the administration of the program, which does not come under me. Thus I am not in a position to give a precise answer to the hon. member's question.

**Mr. Whiteway:** My second question is: if the Minister of Finance has ever been out in the prairies and has been subject to those howling prairie winds in January and February, he will know that, as important as insulating the walls may be, insulation for windows and doors, such as double and thermal glazed windows, is as important. Would the minister consider extending the program to the insulation of windows and doors?

**Mr. Chrétien:** Mr. Chairman, this is another question about the management of the program, which does not come under me. That comes under the jurisdiction of the hon. Minister of Energy, Mines and Resources or the hon. Minister of State for Urban Affairs. As far as the big winds of the west are concerned, I know a little bit about it, even if I am from Quebec. The hon. member should know that my grandfather arrived in St. Paul, Alberta, in 1905.

**Mr. Whiteway:** Mr. Chairman, I will group my third and fourth questions together, because perhaps the minister will consider them better answered by his colleague who did not answer them in committee this afternoon.

**Miss Bégin:** Are these questions as to the amendment?

**Mr. Whiteway:** They have to do with the amendment. The fifth question, depending upon the minister's answer, will affect how I vote on the amendment. I know hon. members opposite are anxious, but I am now dealing with my third question, and then I will deal with my fourth and fifth questions.

There are many problems in relation to those who sell the insulation and those who install it. Some Johnny-come-lately and Mickey Mouse companies have sprung up overnight in order to make a quick profit on the insulation program.