

*Mortgage Tax Credit**[Translation]*

Mr. Speaker, I would also like to point that the distribution of benefits under that plan is far from being fair. Ontario with 36 per cent of population will get 44 per cent to 45 per cent of the benefits. Quebec with 27 per cent of the Canadian population will get 17 per cent to 19 per cent of the benefits. In the Atlantic area, only 26.3 per cent of owners have mortgages. It can therefore be concluded that the percentage of benefits will be still less.

● (1650)

[English]

Remember these words, Mr. Speaker? I think the minister does. A tax credit does more for Canadians. A tax credit provides substantial benefits. A tax credit eases the burden of purchasing and meeting the costs of the home. Is that not the main reason behind the tax credit? Is not the purchasing of a house the main reason for this program? Did the Prime Minister during the election campaign not speak frequently of encouraging Canadians to acquire a personal stake in this country, which begins with what is most basic, and that is the ownership of one's own home? The Prime Minister wanted more people to realize that dream.

Is this what happened? Did more people buy homes? No, they did not. Why is that? They did not because of the high interest rate. The high interest rate is not the subject of this bill, but the fact remains that the main objective of this tax credit is not attained because of the high interest rate. What the Conservative party had in mind was: let us help those who do not have a home. Let us help those who, without some help, will never own a home. Is this not also a motto of the Conservative party, to help those who need the most? We hope to get some answers and Bill C-20 is not the answer at this time.

[Translation]

Mr. Speaker, the minister said in his speech last Monday evening that the program was meant above all to lessen the burden which the purchase and the maintenance of a house represents and to promote the Canadian construction industry and that such a program would create employment for those working in the construction field and related industries.

The Minister of Public Works (Mr. Nielsen) also chipped in but not in the same way. He feels that there is nothing wrong with lessening the tax burden of almost four million Canadian taxpayers. But this is not the way the Progressive Conservative Party introduced its program.

Mr. Speaker, it is shameful to hear the responsible and even well respected minister who comes to the House and begs hon. members of the opposition not to deprive the Canadian people of their Christmas gift. He is doing some blackmail before the introduction of the budget, accusing opposition members of a filibuster. However, it is our duty to warn and inform the population. If he seriously meant what he said, Mr. Speaker, we have to conclude that the election on May 22 was not earned but bought with that unfair and discriminatory pro-

[Mr. Cousineau.]

gram. Mr. Speaker, Bill C-20 would bring no gifts, as I say, because every Canadian will be paying one way or the other for the program.

In conclusion, let me summarize. This legislation is unfair because too many Canadians will get no benefits. The program falls short of its objectives of allowing home ownership and stimulating residential construction. Under current economic conditions, it will never fulfil the hopes of our colleagues opposite. If the minister does not want to withdraw it, if he has money to spare, could he not add such things as assistance to people who pay rent especially those in the lower income group—assistance to lower income owners who have already paid their mortgages and who pay little or no income tax. Could there be no tax incentive to energy conservation, a subsidy allowing home ownership? They could consider establishing other programs similar to the Registered Home Ownership Savings Plans introduced by the previous government. They could also consider offering some assistance to bridge the difference between the current astronomical interest rates of 14½ per cent and a normal 10 per cent.

At home in my constituency, and especially in the city of Gatineau, the number of building permits is down 200 from last year. In terms of monetary value building permits totalled \$21 million in 1978, but were down to \$19 million at the end of October. This is not what we call economic stimulation at home in Gatineau.

I recognize with the Minister of Finance that although higher interest rates have had and will have an extremely unfavourable impact on Canada's economic growth, we must live with them.

[English]

Before I conclude, Mr. Speaker—I see some smiles opposite—let me repeat these words which have been said so many times: the plan to allow income tax credits for mortgage interest and municipal property taxes is a bad plan; it is regressive and discriminates against the renters, but is meant to please the bulk of the middle class. I wonder if the bulk of the middle class is pleased at this time, if the bulk of the middle class is not disappointed by the actions of this government. Let me just refer to the high interest rate, the reduction of powers of the federal government, the matter of the embassy, PetroCan, the possible policy of cutting family allowances in many cases by 1981, the silence of the Prime Minister in the referendum battle, and the absence of any guarantee of universal medicare.

If this bill goes through as it is now presented in the House, rest assured that I will not be unhappy because middle class Canadians will have obtained something from the government. Good for them, I say. But I will be very unhappy for the millions of Canadians who are set aside and forgotten, and I think this government should feel very uneasy because of this fact. Remember that the renters and the old also vote on election day.