

What is even more of a problem is the fact that the minister is using discretionary income now which may be far more necessary for something else in later years. He is committing \$3 billion that may be necessary for pension plans, urban transportation, or some other measure. That money will not be there then because this minister has foreclosed his mortgage. He has spent his money. He is taking out the moveable rule. He has obviously foreclosed his mortgage on a very shaky foundation.

What is maybe a more serious difficulty with this kind of measure is that it will divert scarce capital away from necessary projects into the area of housing, without knowing what our capital requirements will be. The Minister of Finance has said that the Americans love their plan and that they are delighted. On reading the study by the Brookings Institute, and I would be glad to send it to the minister, I learned from that learned institution that one of the problems with the American economy is that, as a consequence of the tax deductibility program, scarce capital was funnelled away from critical investments in productivity such as new machinery, engineering and energy, into a consumer item.

One of the reasons why the United States is falling somewhat back from other industrial areas like Japan and Western Germany is because it has had this tax credit program. That is a clear assessment by people who have analysed the American problem. This minister is castigating us for committing suicide when in fact he is condemning the economy to using up scarce capital from other critical areas four years down the road. Is that the kind of management the Canadian people can expect from this government for the next month or two while they are in power? Is this the kind of pride that they are taking in their ability, their intelligence and rationality, that they fly in the face of facts and in the face of reality?

They do not respond to problems, nor are they concerned about them. That is why this legislation is poor. It tells us a lot about how the Tories will govern. It tells us a good deal about the kind of economic programs that they are prepared to introduce.

An hon. Member: The people will love them.

Mr. Axworthy: We have probably heard the truth there, because from the mouths of babes comes wisdom.

The full hour taken by the Minister of Finance has been summed up in one sentence; it is a crass gimmick for votes. Now we know what the reason is. Let us push away all of the fancy economics and the aforementioned stimulants and get down to the reason, which is that they think they can worm their way into the hearts and minds of the middle-class Canadians by giving them something.

An hon. Member: It really hurt when we announced that program.

Mr. Axworthy: No, it does not. I have a lot more confidence in the Canadian taxpayers. I do not think that they are prepared to be hornswoggled. I have a great deal more trust in

their ability to see through the flim-flam, hogwash, and nonsense which we have heard tonight. There are alternatives.

One of the interesting omissions in the speech by the minister tonight is that he could not tell us what his other options were. He was so busy trying to do his cute routine, which he has obviously been practising more than he practises his fiscal one—that he forgot to do what he should do as Minister of Finance and ask what his options and choices were, what different actions were open to him with the same amount of money.

● (2140)

In a document prepared for the government by officials of the Department of Finance and Canada Mortgage and Housing Corporation, it was pointed out that if it was important for the government to go ahead with the tax credit program, it would be equally important to bring in a shelter allowance program or something for rental assistance. They said it could be phased in, and gave the economics of it. It would ultimately cost less than the program that is now before us. The rental allowance program could be available as part of the package.

The point that we would like to make in this debate is that with the same amount of money, with the same commitment and expenditures, we could get far better programs directed at far more important targets in the economy and housing, than those presented by the Minister of Finance.

We acknowledge that there are problems and pressures in those areas which are brought about by increased costs. Some relief is necessary.

An hon. Member: That is a true statement.

Mr. Axworthy: It is a true statement, and we will agree with it. What we are saying, however, is that it does not take a great deal of wit or intellect to realize what the problems are, but it takes imagination to find the best solution and use the money wisely and well. Our condemnation is that there are much better ways of spending this money. The government could have started where the real problem lies and could have provided something for rental assistance. They could have afforded an expenditure in the neighbourhood of \$130 million to provide direct relief to the 50 per cent of senior citizens who pay over 30 per cent of their income for rent, and they could have provided the same amount of money for single parent families. For \$120 million they could meet the enormous pressure of those increased rental costs.

Old Ebenezer Scrooge over there, who comes from Newfoundland, could have enriched his happy Christmas package for the people with the biggest problems.

An hon. Member: He is not worried about a roof over his head.

Mr. Axworthy: That is right. The hon. gentleman opposite likes to say how much he cares and is concerned. We know how much he cares and is concerned. As his first minister says,