

*Mortgage Tax Credit*

On October 3, 1978, in the same newspaper it was pointed out that the flaws of the plan of the Prime Minister (Mr. Clark) are so substantial that the implementation of this proposal could be quite harmful to the Canadian economy, that the ultimate consequences would be to reduce industrial and commercial development and weaken the long-run rate of growth and ultimately our standard of living.

*[Translation]*

This was in 1978, Mr. Speaker, and it was also said at the time that once this program had been established it would become almost impossible to get rid of it, and my Liberal colleagues also emphasized this danger in the event this measure was passed. Notwithstanding such advice and warnings, the Tories took power and according to the remarks and post mortem since last May 22, Mr. Speaker, this promise alone was responsible for the victory of the Conservative party plus the brilliant idea of moving our embassy to Jerusalem. We know what happened with the embassy issue and, this in spite of all the adverse opinions and warnings that this move would be bad for the Canadian economy.

Mr. Speaker, I join my Liberal colleagues in this debate in blaming government members for the discriminatory aspects of Bill C-20 in its present form. I join my Liberal colleagues in regretting that lack of common sense, Mr. Speaker, which completely ignores tenants and senior citizens. I also regret, Mr. Speaker, that the minister has excluded those who have no mortgage and who pay little or no tax except, of course, from the benefit of property tax deduction.

The Progressive Conservative Party, Mr. Speaker, divides Canadians into two classes, a society of tenants and a society of home owners. I said, Mr. Speaker, that tenants are excluded, they are completely ignored. However that group accounts for 37 per cent to 40 per cent of Canadian people. Even if the minister says that this deduction will encourage them to buy a house, it was demonstrated—everybody recognized it—that residential construction has decreased by almost 30 per cent this year compared to last year. The hope that this program would encourage tenants to buy a house did not materialize. I also mentioned that some Canadians have no mortgage, no debt at all; they represent 27 per cent of the population. These people will benefit only from the property tax credit. There are nine million families in Canada, Mr. Speaker; 4.1 million families live in rented facilities, 1.1 million are old age people who do not earn enough to pay any income tax, which means that 3.8 million families will be eligible for the tax credit. So this legislation is for a minority. I would like to point out that if the bill is passed in its present form, I will be happy for those who will benefit from it. However I owe it to myself to try to protect the rights of the poor in my province and in my country. I must speak up in order to have the bill amended or withdrawn.

We now have a deficit and government members frequently refer to it. It is the favourite subject of the Minister of Finance

(Mr. Crosbie) who repeats every time he has the floor that this deficit is the former government's fault; however, the Minister of Finance and his colleagues will never admit that this accumulated deficit is due to a number of social measures introduced by a Liberal government for all Canadians without distinction, without asking whether they were home owners or renters: family allowances, medicare, old age pensions, survivors' benefits, pension supplements, indexing of veterans pensions, all sorts of benefits for young and old alike, for men and women.

Since October 9, 1979, the Minister of Finance has been saying that his aim is not to increase but to decrease the deficit. But he will have to find \$2.3 billion, maybe even \$3 billion. Where, Mr. Speaker? There are not 25 answers, there are only two answers, two solutions: either by raising taxes or by cutting back services. Some members are saying that taxes will not increase, so that means only one thing: cutbacks in services. We have been assured that family allowances will remain in effect for 1980, but there is no guarantee as far as 1981 is concerned. Selective medical services are often talked about, we hear that medicare will no longer be universal, and that has been shown by some Conservative provincial governments. Mr. Speaker, is that how the minister will get his \$2.3 or \$3 billion?

Other government members are saying that there will be no cutbacks in services in the field of social security and no tax increases. But what about this increase in oil from \$4 to \$4.50 or even \$5 a barrel and gasoline to \$1.30 or even \$2 a gallon in a year or two? Who will pay the increase in heating oil? Who will have to bear higher food costs? It is a fact that food will go up because of higher heating and refrigeration costs. Not only home owners but also renters and senior citizens should benefit from the tax credit.

*[English]*

Mr. Speaker, the minister has stated many times that he would be most receptive to suggestions, that he had no immediate solutions to our problems and that in social security the government had the obligation to utilize the products of the economy in order to protect the poor, the sick and the old. These are the words of the Minister of Finance. Is that what he is doing now? What guarantees do we have that family allowances will not be cut at one time or another? What guarantees do the Canadian people have that universal medicare will remain? Will the aged be assured that they will continue receiving month after month what is now being paid without getting a cut? Will the minister make statements guaranteeing that social programs will not be reduced in any way? The minister—and he has said this many, many times—with reluctance has brought to this House a bill so as not to be accused of not keeping the electoral promises of the Conservative party and in order to maintain a little bit of credibility with the people of Canada.