

Oral Questions

would assist a group that might be affected. That seems to have worked very well and up to this point has made unnecessary a very large expenditure program which is obviously being advocated by my hon. friend. I just do not have the resources at the present time to finance any other new programs.

Mr. Wilson: Why?

Mr. MacEachen: If I take the advice of the hon. member for St. John's West, I should be cutting down the current expenditures listed for the government.

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NORTHERN PIPELINESQUEBEC-MARITIMES EXTENSION—SUPPLY OF PIPE BY
CANADIAN INDUSTRY

Mr. Gilbert Parent (Welland): Madam Speaker, I should like to direct a question to the Minister of Energy, Mines and Resources. Yesterday the minister stated it was the government's intention to complete a Quebec-Maritimes pipeline. In view of the fact that 100 per cent of the pipe for the western pipeline is being made in Canada, could the minister tell the House whether he has ascertained if the industries in Canada will have the capability of producing the pipe which will be necessary for the completion of the Quebec-Maritimes pipeline in the desired time?

An hon. Member: Of course they will.

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I think there is no reason to doubt that the pipe provided for that pipeline will come from Canadian steel companies.

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HOUSINGINQUIRY RESPECTING REINTRODUCTION OF MURB TAX
WRITE-OFFS

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, my question is also directed to the Minister of Finance. Since it is well documented by the Canadian Council on Social Development that MURB tax write-offs in the past did absolutely nothing to help build affordable rental accommodation for families, for native people or for pensioners, and that in fact family homes were often demolished in order to build fancy, expensive luxury bachelor apartments, why did the minister respond to the pressures from the real estate lobby to reintroduce MURB tax write-offs for the wealthy instead of investing in social housing to try to deal directly with Canada's most desperate housing problem?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member is distorting the purpose of the program, which is to increase rental accommodation through a tax shelter which may indeed

apply to persons in high income brackets. That is acknowledged. The impact will be on increasing rental accommodation. I responded to representations not only from persons in the construction business but also to representations made at the recent ministers of finance meeting and representations made to me by members of the House of Commons, as well as by the minister who advised me that at the present time this would be the most appropriate way to provide additional stimulus. I noticed yesterday in one of the Toronto papers that it was stated the impact would be to create about 10,000 additional jobs, and I think that is rather important.

Mrs. Mitchell: Madam Speaker, social housing would create just as many jobs. I wonder if the minister talked to tenants. Does the minister realize that from 1974 to 1979, the MURB period, over \$315 million was added to our national debt because of MURB tax write-offs, yet during the same period, construction of rental units dropped by 41 per cent? Since MURBs cost so much, benefited only the rich, I repeat, and made no impact on priority housing problems of Canadians, will the minister reconsider his decision or at least invest a similar amount in non-profit and co-op housing for those who most need it?

Mr. MacEachen: Madam Speaker, there has been consistent support by this government for co-operative housing and non-profit housing. One just has to travel the country to see the impact of the housing program. I believe that the introduction of this particular tax problem will have a beneficial effect on increasing rental accommodation in cities especially, where the vacancy rate is very very low. It will also have the substantial effect of creating jobs in the construction agency whose unions, I understand, are very much in support of this particular policy.

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ENERGY

OIL AND GAS INDUSTRY—REDUCTION IN FOREIGN OWNERSHIP

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my question is for the Minister of Energy, Mines and Resources. It relates to the intent of the policy announced in the budget to increase Canadian ownership in the oil and gas industry. The budget states that one objective is to achieve at least 50 per cent Canadian ownership of production by 1990, down from the current level of foreign ownership of about 70 per cent. In order to achieve this, exploration and development incentives will be phased out by the end of 1983 for all companies more than 50 per cent foreign owned.

My question is this. Is it the policy of the government to reduce the ownership level of all companies within the industry to the 50 per cent level, or is the policy related to the industry in the aggregate; in other words, to reduce the level of ownership to 50 per cent in the aggregate? As well, could the