

*Income Tax*

motion which provides that for the 1977 and subsequent taxation years, a grant received under the Canadian home insulation program be included in the income of the recipient, or in the case of a married individual residing with his spouse and the income of the spouse is a higher income—in other words, this section deals with the so-called home insulation program that is in effect in six provinces of Canada—New Brunswick, Newfoundland, Ontario, Manitoba, Saskatchewan and British Columbia. Those are the six provinces that accepted the home insulation program of the government of Canada which was announced with such great pride by the Minister of Energy, Mines and Resources on June 27, 1977. That program, Mr. Chairman, is discriminatory.

I believe this is the first time, that I know of, that a piece of legislation has been passed by this House which discriminates and attacks residents of six of the provinces of Canada, grants a benefit to the residents of two provinces of the country and does nothing for or against with respect to the citizens of two other provinces. The province of Alberta and the province of Quebec—quite properly, in my opinion—refused to enter into the so-called home insulation program of the government of Canada. They said they were not going to submit to certain conditions the government laid down for that program. Six provinces did enter the program. Two provinces, Nova Scotia and Prince Edward Island, already have a special home insulation program offered to them by the government of Canada, which differs substantially from the program offered to citizens who live in the rest of Canada.

The program I am talking about is the one implemented in provinces other than Nova Scotia and Prince Edward Island, in other words, the non-Liberal government provinces. It offers a program less than is offered in Prince Edward Island and Nova Scotia. Not only does the program offer less, but this legislation is to ratify the decision of the government of Canada that taxpayers who take advantage of this program in the six provinces I have mentioned have the amount added to their taxable incomes, while people in Nova Scotia and Prince Edward Island who take advantage of the program do not have one cent added to their taxable income from the grant.

Taxpayers that hon. members of this House represent—there are representatives here from all provinces, Ontario, Newfoundland, New Brunswick, Saskatchewan, British Columbia and Manitoba are also represented in cabinet, and they are permitting their people who take advantage of the home insulation grant program of the government in those provinces to be taxed on the amount of the grant they receive. I am delighted that they do not have it added to their taxable income in Nova Scotia and Prince Edward Island, but I say that is a benefit that should be made available to everyone who lives in Canada and takes advantage of the program, not just those who live in Nova Scotia and Prince Edward Island.

The program commenced on September 1, 1977, for six provinces—not Nova Scotia and Prince Edward Island—only if the provinces agreed to certain conditions. They had to agree to adopt and implement new building codes, change the speed limit on their highways, remove the sales tax on insulation

[Mr. Crosbie.]

materials, and prohibit the bulk metering of electricity—if their residents were to be allowed to enter into this program and have the advantage of it from the government of Canada. Two provinces, Alberta and Quebec, refused to be bullied and refused to have conditions laid down to them. They refused to participate. I say we have to thank the government of those provinces for demonstrating that they were not going to be coerced by the federal government in this respect.

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

**Mr. Crosbie:** The program is in effect in six provinces. Let us compare the program in those six provinces with the program in effect in Nova Scotia and Prince Edward Island. In the six provinces I have mentioned—where the program is not very popular; there have been very few applications—the subsidy is available in the first year only for houses built before 1941, if you live in Manitoba and Newfoundland and certain other areas, and if your house was built before 1921 in Ontario and certain other areas. That is further discrimination. But if you live in Nova Scotia or Prince Edward Island, you are eligible no matter when your house was built. That is another aspect of discrimination. I do not know whether this bill is even constitutional. If we had any kind of a constitution, you could go to the courts and have it thrown out on the ground of rank, base discrimination.

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

**Mr. Crosbie:** If you live in Ontario, you have to have a pretty old house, it has to be 56 years old to take advantage of this insulation grant. Imagine, in northern Ontario, where it is colder than Nova Scotia and Prince Edward Island, you have to have a house that is 56 years old before you are eligible for the grant! If you live in an old house, say a 150-year old house, and it might be pretty rickety by now, you apply and you receive a grant of \$350. It is then added to your income and you are taxed on it. However, if you live in Nova Scotia in a house built last year or this year, brand, spanking new, well insulated, it does not matter when it was built, you receive a grant. Incidentally, the grant down there is up to \$500, which is more than if you live in northern Ontario, and it is not added to your income.

Why is that? Should not the residents of Saskatchewan, Manitoba, Ontario, Newfoundland and New Brunswick, Alberta and Quebec and the other provinces be upset about this? I do not know whether they are upset or not. The ones in Newfoundland that I have talked to are upset. I say that the duty of this House is to defeat this clause. This clause should not pass this House. There is no way I am going to vote for it. I do not care what the rest of my colleagues on this side do. However, I feel sure they are all going to vote against it. I am voting against it. I am not voting for something that is going to see people taxed more in the six provinces I have mentioned than they are going to be taxed in two other provinces. Not on your life!

The first discrimination is the age of the house. If you live in Prince Edward Island or Nova Scotia, age does not matter. If