

*Mortgage Tax Credit*

sunset laws when they were sitting on this side of the House and thinking perhaps this would be a good measure for any type of legislation which would have a long-range effect.

Having had this first great opportunity as the party in power to apply their own preaching and introduce this concept into this major piece of legislation, we on this side of the House are actually surprised that hon. members opposite would miss this opportunity. Were they asleep at the switch? Did the President of the Treasury Board forget all his preachings? Did hon. members opposite discover the realities of government, or did they just dump another of their highly held ideas once they crossed the floor to the other side?

In our view the proposal in this amendment should certainly be difficult for hon. members supporting the government to refute and reject, if they have any confidence and faith in the preachings of their leaders.

The second reason which comes to mind why this amendment ought to be supported is that Bill C-20, for the first time—at least in my memory—links municipal taxes to the federal taxation and fiscal system. It does it in a devious way, but nevertheless it establishes a link. It means, indirectly, that municipal taxes which can be deducted according to the principle of this bill would become in a way less of a concern for municipal politicians. They can turn to their constituents who are very much alarmed these days about high municipal taxes and say; “Why worry so much when you can deduct a portion of your municipal taxes, and if you are paying on a house you can eventually deduct it from your bill from Ottawa?”

Maybe a year from now, or later on, the Minister of Finance will begin to become worried about this link. He may notice that municipal politicians may be less concerned about keeping municipal taxes within certain bounds, since for the first time they can be partially deducted. A trend of this nature would be rather alarming, would it not? It would be alarming to see municipal politicians less on their toes in maintaining municipal taxes within the limits they have been able to keep them with some limited success so far.

This kind of link may have implications for the total fiscal picture in Canada. It may be a matter of concern for the Minister of Finance, and he may want, a year from now, to have the power, as so readily suggested by the amendment of the hon. member for Winnipeg-Fort Garry, to review the matter in the light of developments in the first year, in the second year or, for that purpose, in the third or fourth.

There are also other reasons why this bill should be reviewed at regular intervals. Some of them have already been given by speakers at second reading, and I will therefore review them very briefly.

It may well be that a year, two years, three years or four years from now, the government might re-think its position and come to the conclusion that perhaps it would be a greater stimulus to the housing industry to have a national rental assistance program or, for that matter, if this government is still in power—and God forbid—it may want to look at

alternatives such as a mortgage interest subsidy on renegotiated mortgages. It may see perhaps greater merits to the alternative of having a residential operating cost rebate, a mortgage interest rate write-down for purposes of new homes, or mortgage interest subsidies to the apartment construction sector. You name it, Mr. Chairman; there may be a number of reasons, and the measures I just mentioned placed together would, in our opinion, provide a greater stimulus to the housing industry than the one which is before us here today.

One could bring the thought even one step further. One could think for a moment about the losses of revenue which will take place as a result of this measure and the limited stimulus this measure would have. One could think for a moment about what the Government of Canada, through the federal system and with its powers, could do if it had this revenue coming in, as it has until now, and think of measures in the social field which it could implement instead. This is an aspect which really worries me very profoundly and prompts me to support, as I am doing now, this proposed amendment.

For instance, with the revenue we are going to miss—which the state is not going to receive when this measure comes into effect—we could introduce programs which are badly needed in this country and for which, according to the Minister of Finance, there are not enough funds. We could introduce a program to subsidize mothers who stay at home to raise children, or people who look after ill or elderly relatives. Surely this is a costly program, but if we can afford this, why can we not look at alternatives which we could also implement? We should look at other options and choices before proceeding with this measure or going blindly ahead, as Bill C-20 does, without any sunset provision.

Another example of how this money could be better spent might be in providing grants to improve day care facilities or to improve maternity benefits under the Unemployment Insurance Act to provide working women with benefits over a longer period of time. Perhaps we could better spend money by bringing old age pension eligibility down to the 60 years of age level gradually over the years, but fairly soon. This would result in job openings for the unemployed.

There is a long list of what could be done as alternatives which the government might be able to finance if we were not to forgo this revenue. This amendment would at least give us a chance to re-think the whole approach a year from now.

I would like to add to the list an increment price policy for the protection of unorganized working people and those on fixed incomes. If one is not organized these days, does not have a union for protection and works in one of the industrial centres across this nation without the benefit of a strong union, it is very difficult to make ends meet. An income policy for people who are gainfully employed and who are active and productive, but who are in the lower economic scale in society, would certainly be highly desirable, or the implementation of what in 1973 in that most excellent orange working paper on social security was called an income supplementation plan for the working poor.