

Income Tax

My officials have calculated that the program will cost \$1.4 billion. In fact probably \$1.9 billion will be disbursed, and some \$560 million will come back into the coffers of the government in taxes.

Mr. Benjamin: I am glad to get that clarification from the minister in terms of why it was felt certain things had to be done, and why later on there were two separate operations. I appreciate that, and I accept it completely, but I am still not convinced about the \$560 million. However, I will leave that aside.

I believe that the principle of re-insulation has to be followed no matter where we live, and the government's desire for energy conservation is laudable. Any benefit the government wishes to use, whether it be a tax benefit, a grant or any other mechanism, should be used if it conserves energy. The government might, however, try to prevent the rip-offs by wholesalers and retailers of insulation materials which are going on all across the country. That would be a benefit. Before the AIB dies an unnatural death, perhaps it should be turned loose on checking the prices of insulation materials at the wholesale and retail levels. Alleged shortages in some cities should be looked into. I recognize that there are legitimate shortages in other cities. Looking into some of these things might be of as much benefit as any grant or tax benefit.

I would like more explanation from the minister about the \$560 million. I would like to know how he arrived at that figure. I would also like to remind him of a question I raised earlier, which he has still not answered. In terms of insulating homes, energy conservation and the costs of imported oil, he has really begged the question of what it costs a person in the five eastern provinces who heats his home with heating oil rather than electricity. My suggestion to the minister is that there is the need for a blanket program to cover all of those. Maybe he will do it in his next budget, I hope so and I hope he is making a mental note of this.

● (2112)

Mr. Chrétien: I do not have the answer as to the cost of heating a home with oil in different provinces. I am not the minister responsible for the program, it is a program in the energy field, and I am the Minister of Finance. I am in a handicapped position tonight to answer for a program which has been designed by the Minister of Energy, Mines and Resources and the Minister of State for Urban Affairs. I am trying to be explicit but those technical questions you are putting to me could probably be answered by an expert in the Department of Energy, Mines and Resources. I do not know that as I am not a specialist in that field. I have to admit that with a lot of humility.

Mr. Benjamin: The government's program of aid for insulating homes may be valid in the Atlantic provinces where no doubt there are many more homes which are older than homes in the more recently settled parts of Canada, for example, Ontario, the prairie provinces and British Columbia. One of the problems confronting myself and other members from

similar parts of Canada, when you talk about aid and comfort for a person who insulates a home built prior to 1921 is to find one. I have been looking around in my city, Mr. Chairman, and also around the rural part of my constituency for homes still occupied and being used for something else besides a granary built prior to 1921 and it would be easier to find a sod shack that an immigrant lived in. If there were still a sod shack on the prairies, he could take advantage of the program because there were always chinks and holes in the shack the blizzard and wind blew in, and maybe he could save some coal and wood that was burned in that sod shack. The year 1921 indicates to me that the minister and the government are not serious. They do not really mean business about energy conservation. My goodness, even the couple of provinces who have said 1941—that is a remarkable improvement over what the federal government has at the moment. Surely he cannot expect ordinary citizens in this country, let alone members of this House, to really take seriously a program that provides aid to homes built prior to 1921. I do not know how many homes my colleagues on all sides of the House would find in their particular ridings, if they took a reading on it, but there are not many still occupied and built prior to 1921. I have a couple of slum landlords in Regina, but they are not taking advantage of the program, because they are collecting the welfare cheques from people who are living in them.

An hon. Member: Shame!

Mr. Benjamin: The minister expects us to accept all the arguments. I do not agree with various and sundry mean aspersions and motives that have been cast upon him, I know he is not that stupid. But I think he is extremely stupid in trying to somehow validate a way of implementing an excellent program and idea. The amendment brings some equity into a laudable objective. The \$560 million even if the minister is accurate, I am not sure whether it is \$560 million of taxable income or \$560 million in income tax that would be lost—which one is it?

Mr. Chrétien: Income tax we lose.

Mr. Benjamin: If it is \$560 million in income tax he would lose, he can recover twice that amount by forgetting about the rest of the provisions in Bill C-11.

Mr. Chrétien: I do not want to carry a debate too long on that because I am not the minister responsible for the design of the program, and I cannot have an argument with him. I know the cost of it and when they designed a second program, they included an element, rather than \$250 for everybody, they felt it was better to have \$350 for everybody and make it taxable, so the rich will return a portion of it to the Crown. Because they have included that in the program, I have one little amendment to Bill C-11. If you have any quarrels with this, you always have the privilege to take that up with the minister responsible when he is here in the House of Commons or in committee.

An hon. Member: You are stuck with selling it.