

Mortgage Tax Credit

rates, to help them meet property taxes, to help them meet insurance premiums, to help them with repair bills or whatever they need to own and operate a home in this country.

For the first time in this country there will be in effect what has existed in the United States since 1862, a deduction for mortgage interest. This did not originate in the twentieth century, Mr. Speaker; it originated in the 1860s.

Mr. Evans: They have tried to get out of it ever since.

Mr. Crosbie: They have not tried to get out of it. They expanded it to all consumer credit, Mr. Speaker. It is a system that will never be left behind because it is part of the old American system.

An hon. Member: John Evans is against the plan.

Mr. Crosbie: The hon. member for Ottawa Centre (Mr. Evans) is against it. He decries it. That gives you some outline of who will benefit, and to what extent, from this scheme, Mr. Speaker.

The interest on all consumer credit in the United States is deductible. Their taxpayers are allowed to deduct it, but we are not suggesting that. We have a plan that will only allow the deduction of interest costs in connection with acquiring, renovating or expanding a home. It does not cover all consumer credit. It has to be for that particular purpose alone, so it is a carefully drafted scheme to help people to become home owners in Canada. It does not cover just those who own homes at present, but those who want to become home owners.

We can be defeated on this, Mr. Speaker. This is the time for the opposition to put up or shut up. The Leader of the Opposition (Mr. Trudeau) was in Toronto on Saturday and Sunday, flexing his muscles. He was going to stop this legislation going through. I say, fine, let him stop it. This is a good issue for us to have another election on. The Canadian people have already shown that they want this. If the opposition is not convinced and wants to put it to the test again, then let them defeat this legislation. Let us go on and see if the Canadian people want it or not.

Some hon. Members: Hear, hear!

Mr. Crosbie: The official opposition has done nothing but cry for stimulus. The NDP is always crying for stimulus. They want more stimulus—it is almost a reflex action with them, except when it comes to the home owners of Canada. They do not want stimulus then, they want to keep them burdened with debt and high interest costs.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Whelan: Nonsense.

Mr. Crosbie: Mr. Speaker, this is stimulus. This is \$575 million of stimulus for early 1980 for the home owners of Canada and for the economy, and \$1,245 million in 1980, and \$2 billion in stimulus in 1981. Remember the \$2 billion. That

[Mr. Crosbie.]

is the \$2 billion they are trying to tell us that our leader forgot about when he promised the \$2 billion in tax reductions. In 1981 it will be \$2 billion. As our economy improves and we are in a position to give more stimulus we are going to give it. In 1982 it will be \$2,875 million. They do not like this kind of stimulus. They do not like it because they did not think of it. They fought against it in the election and they are going to try to scuttle it now. They are going to try to scuttle this stimulus.

● (2030)

What are the three main purposes of this plan?

Mr. Axworthy: Go ahead.

Mr. Crosbie: The Canadian people are going to be able to afford the water that goes to their homes, and more after we implement this legislation.

The main purpose of this plan is to ease the burden of purchasing and meeting the costs of a home, to stimulate the Canadian construction industry which badly needs stimulus after the shape it was left in by hon. members opposite—persons opposite. It will create jobs for those who work in construction and related industries. That is the purpose of the plan.

By the way, Mr. Speaker, in Saskatchewan, that magic place which is the only place in Canada that is wealthy enough to afford the socialists in its government, even there they have a mortgage interest deduction plan—

An hon. Member: There is nothing wrong with those socialists.

Mr. Crosbie:—which they proclaimed. So the Saskatchewan home owner is going to get a mortgage interest deduction from the Saskatchewan government and one from the Ottawa government. But the Ottawa government, the PC government stimulus and mortgage interest deduction, is going to be voted against by the NDP in this House, while the NDP in Saskatchewan gives its own mortgage interest deduction. What is wrong with this mortgage interest credit? Is it because it is being introduced by Tories that these ideologues down in the corner are going to vote against it? What kind of inconsistency is that? Inconsistency, thy name is NDP—neurotic and demagogic.

Some hon. Members: Oh, oh!

Mr. Crosbie: I have given you the number of families who are going to benefit by this. It is 3.8 million families, if hon. members opposite permit, because we are asking them humbly to support us. The average benefit per family will be \$590 for those eligible under this program by 1982 when it is fully phased in.

There has been an argument from hon. members opposite—yes, the term members is all right, I am not allowed to use the term hon. gentlemen—that because mortgage interest rates have increased in the last few months—year, year and a half—we should not put this forward. This is the cry we have heard