

*Taxation*

convoy of angry Canadians arrived on Parliament Hill to demonstrate their frustrations. Cabinet was in session that day, but the only government member to meet with these people was the minister responsible for housing who promised to prod the government into action on their behalf. We all know that his prod was a mere pin prick if what was contained in the budget was the result of his efforts.

I am also well aware, Mr. Speaker, that the minister only met with a few selected representatives of that great crowd on Parliament Hill. I was here on that day and made it a point to go out and walk through the crowd, read the signs and talk to a great many of those people. One of the questions I asked was: "How did you vote in February, 1980?" Needless to say, the majority said they voted for the Trudeau government. I said: "Well, it serves you"—and I used another adjective—"right." They said, "Yes, but never again." Of course, we do not know when they will have an opportunity to vote again.

The Minister of Finance set aside \$38 million under the jurisdiction of the minister responsible for the CMHC to provide mortgage assistance for a short time, but not for everyone. It was to be used to guarantee interest deferred on mortgage payments which exceeded 30 per cent of a family's gross income. Thousands of other home owners were left out in the cold. Those who were able to take advantage of the scheme were simply prolonging their period of indebtedness. For those unable to afford the luxury of owning a mortgaged home, the budget prescribes measures to assist in the rental area. Again, a drop in the bucket. The government magnanimously offered to provide interest-free loans up to \$7,500 per unit for the construction of 15,000 units in major cities across Canada, when 200,000 are needed.

• (1610)

I will admit that the minister was able to go to the Minister of Finance and have the amount increased to 30,000 units. While this is a significant increase, it will still fall far short of the needs of Canadians for adequate housing. Therefore, thousands more will be left out in the cold.

Those who are fortunate enough to have a roof over their heads will also have to do some adjusting to the cold. Every Canadian family will be paying an additional \$1,400 a year for energy costs over the next few years. The minister did say there was an insignificant saving on income tax to those in the lower and middle-income brackets. But when that is compared with what people will be paying for other items to keep alive, the government would have been further ahead to have left things the way they were. The minister said this was all in the name of economic renewal.

I have mentioned and enunciated a few reasons why the government's budget is in such contempt. Yet the government in this bill is demanding—because there is a majority government—the authority to spend another \$6.6 billion on whatever it wants.

As my colleague, the hon. member for Perth (Mr. Jarvis) says, many millions of dollars are being spent by this government on advertising telling Canadians just how wonderful it is,

as well as using Canadian taxpayers' money to promote the government.

Rather than continuing to spend taxpayers' money and seeking to borrow more and rather than continuing its promotion of ill-advised and inopportune programs, the government should recognize it has the means at its disposal to reverse the nation's misfortunes.

Some methods for economic recovery have been suggested by those who sit in the opposition. I think it is incumbent upon the government to consider carefully these proposals and to act with some measure of reasoned decency. I want to put a few comparisons on the record. I will admit that many people say that comparisons are odious. But let us look at unemployment. The number of unemployed people has risen to 1.1 million from 350,000. That is an increase of 718,000 since the Prime Minister and his government took over about 14 years ago. The unemployment rate has risen to 9 per cent from 4.5 per cent. That is double the rate it was about 14 years ago. In these unemployment figures, the government has not taken into consideration the probably half a million people who are no longer eligible for unemployment insurance and who have given up all hope of a job, many living and eking out an existence on their life savings. A good many more are probably having to resort to welfare. Let us take a look at inflation. This rate is up 7.6 per cent. It was 4.2 per cent in 1968, but now it is 11.6 per cent.

The consumer price index has increased 186 per cent. In 1968 our dollar was worth \$1.12. Today it is worth 39 cents. This is a decrease in value of 65.2 per cent. In 1968 we had a trade deficit of \$97 million. Today the deficit is over \$6.5 billion. In 1968 the bank rate was 7.5 per cent. Today our interest rates are at 15.34 per cent. That is an increase of 7.84 per cent. Some months ago the interest rate was considerably higher than that. In 1968 the conventional mortgage rate was 9.25 per cent. Today is 18.5 per cent and higher in many cases.

I have some examples to cite. One constituent of mine from the town of Gravenhurst telephoned me almost in tears. He had a \$38,000 mortgage coming due. At the new interest rate of 19 per cent his payments have increased to \$646 a month. He was wondering what kind of relief the government would be able to provide for him. I asked him how much he earned. He works at a plant. The work week had been reduced for a time to three days a week. It is now back to four days a week. His income is in the neighbourhood of \$1200 a month, and of that he will be paying over 50 percent to keep a roof over his head.

I have also had a distress call from a farmer in my area. I will admit that he thought things would remain the same when he decided a year or so ago to expand. At that time he bought an additional farm and built an additional barn. He did this on the basis of the old interest rates which did not worry him too much. But now he is faced with astronomical interest rates. He applied to the Farm Credit Corporation for a loan. I will give the Minister of Agriculture (Mr. Whelan) full marks for pleading the case of the farmers. But unfortunately the