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The owners argue that present subsidies are not high enough to meet every soaring construction cost, with the concrete results that rents are higher after repairs and this prevents many low-income tenants from moving back into their apartments. This problem may seem somewhat abstract to some of the members in the government, but believe me, when you get phone calls from people who have been living in these buildings for as long as 30 years, as I have said previously, and these people ask you where they can move to and what do they do, and could another apartment be found for them to move into, the problem becomes very much less abstract. I say to this government this program on which they will spend \$2.3 billion in 1982 does nothing to solve the really pressing housing problems in this country.

For over 15 years, or even more, academic circles have recognized the importance of preserving our cities rather than mindlessly expanding to the suburbs. In a briefing given to our caucus committee, CMHC officials provided detailed statistics to show that our housing problem in the next 20 years will be completely different than in the past. This is something which obviously has escaped the government. They will have to get younger couples with families out of the apartments into existing detached and semi-detached homes which are now occupied by older persons who would be far better off in the apartments. It may be that rather than building new old age homes, we should be converting apartment buildings. I wonder when the government will turn its attention to these matters.

I think it is also important to note that this program is highly inflationary. The anti-inflation board in a publication entitled "Inflation and Public Policy" has stressed the limitations of economic policy caused by the slowness of the economy to respond to monetary and fiscal stimulus. The board favours selective measures to correct weaknesses in the economy. The government has ignored this advice. Rather than putting more money into programs such as the Residential Rehabilitation Assistance Program, which I referred to earlier, that had produced good results in the past, it has wastefully committed \$2 billion annually to a program of very questionable benefit.

The Liberal party has proposed a number of alternatives to this program, such as a national rental assistance program for the elderly and single parent families who have great difficulty in meeting their rental payments. I would urge the government to give serious consideration to these proposals.

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I would like to begin by saying that we in this party recognize the concern that this particular piece of legislation tries to address, that is, the very real problem of people who are seeking to own their own home or people who have already purchased a home and are finding it difficult to meet their mortgage payments as a result of the high interest rates or the price of a house in the first place. It is not with any lack of appreciation of the situation in which these people find themselves that we make criticisms today, tomorrow and in the days

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ahead, of this particular piece of legislation. We do feel, however, in spite of our understanding of the need which this legislation addresses, that it is incumbent upon us to point out what we feel are some obvious errors, errors of direction that are embodied in the legislation which the government has brought forward.

Before I commence the remarks I have planned, I would like to say in response to the hon. member from Mississauga that we in this party are consistent in so far as we did not support the concessions and benefits which were granted to the big guys that he referred to in terms of the MURBs when they were suggested by the previous government. I take it that we are exempt from his criticism which he was presumably levelling at the Liberal party when he accused them of being in favour of gifts for the big guys and not in favour of gifts for the little guys.

An hon. Member: Are you not in favour of the little guys?

Mr. Blaikie: It is not that we are not in favour of anything for the little guys, we feel the way this legislation is set up at this point that it misses a lot of little guys.

I will try to point out this evening some of the social implications of this legislation. I will not go over at great length criticisms that have already been made. I will simply reiterate briefly the criticism which we have of this legislation in some other areas as well as the area of social policy.

As a tax policy it deserves to be criticized because it is regressive and redistributes money away from the poor toward the affluent. As a tax policy it deserves to be criticized because it is a rather large, and you might even say grotesque tax expenditure, a forfeiting of an incredible amount of revenue on the part of the government for the benefit of a small group of people.

As an economic policy it deserves to be criticized because it will be inflationary, as the price of houses will go up. It seems incredible to me that members opposite, most of whom have more experience in the field of real estate than those of us in this party, cannot see that the effect of this legislation will be to make potential home owners more willing to buy, and therefore make sellers more likely to jack up the price of housing in order to take advantage of that increased willingness to buy. To me the obvious and self-evident inflationary nature of this legislation needs to be taken into consideration.

As an economic policy it deserves to be criticized because it furthers what we used to call, and still do call, the corporate welfare phenomenon in this country. What it will be doing is subsidizing the banks, the ones which are charging the interest rates and benefiting from the mortgages in the first place.

As an economic policy it deserves to be criticized as a stimulative measure—if that is what it intends to be—because it is the sort of thing that will be very difficult to get out of once one gets into it. It will be very difficult to take it away from the people.

I am particularly surprised that this insight does not appear to have been picked up by members opposite, who are so in