

*Housing*

think of a number of times over the past 25 years that governments in this country have used the housing industry by convincing Canadians with one scheme or another to invest their savings in a home for the future. To get them to invest their savings, they came up with all kinds of special deals, including the most recent AHOP program, one of the worst travesties that could have been imposed on individual Canadians. We led them right down the garden path.

At that time we wanted to meet the required number of building starts to keep our economy functioning. What we did to individual Canadians, we are reaping a whirlwind from today. I do not blame this Minister of Public Works or this government. I am blaming the philosophy that Canadians have a right to a home, a right which has been perpetuated among Canadians.

• (1650)

Suddenly we are withdrawing that philosophy and telling Canadians that they do not have a right to own a home. The government is telling them that it is too bad if they have overinvested in a home which its policy five years ago convinced them to buy. It is part of the malaise which exists in Canada today.

Today, people are trying to understand what Canada is about. They are realizing that it is not the country which it was five or ten years ago. I like to use the year 1967 as an example because it was our centennial. It was a time when the nation was becoming united and working together to feel pride in Canada. I would like to believe that Canadians had a cocky confidence about Canada in 1967 and its future. At that time Canadians thought of the words of Sir Wilfrid Laurier when he said that the second half of the twentieth century belonged to Canada.

Well, it is not the same Canada as it was in 1967. Canada has a sickness and I think the personification of that sickness lies in programs such as our present housing policy. The fact that the government and we, as politicians, are not able to solve a problem which we have brought upon ourselves, a problem which we caused when Canadians were told they had a right to own a home and a right to earn an income which would make houses affordable for future generations to own, forces us to solve that problem now. We cannot do it in a partisan or petty way or through the government developing a program which will only prolong a person's ability to pay only the interest on his mortgage without obtaining any equity, which is often the case now.

We not only have to design a policy for Canadians who are now committed to pay mortgages for the next ten years and are about to lose their homes; we must work out a system which will encourage young Canadians to purchase homes with the expectation of owning them without a fear of losing them in 40 years. Unfortunately, this legislation will not be the answer to any of these problems. Perhaps it is a small aid to a very limited number of people who are in trouble.

I recall the fall of 1979 when we were debating a bill which would have been a godsend to most Canadians who are in

financial trouble today because of their mortgages. The New Democratic Party was opposed to this bill and the government was opposed to it. The only people who were not opposed to it were ordinary Canadians, the home owners and potential home owners of the future.

**Mr. Waddell:** It was a subsidy to the rich.

**Mr. Coates:** I am told by an hon. member from the NDP that it was a subsidy to the rich.

**Mr. Waddell:** You know that.

**Mr. Coates:** I will tell you what it was, Mr. Speaker. It was relief to those who need relief today and it would have provided the opportunity for today's Canadians to own a home tomorrow. That is what it was, no matter what garbage the NDP tries to put forward or pump out. The ordinary Canadian perceived that mortgage tax credit plan as just that, the hope to be able to own a home in the future.

As a politician, I am committed to this ideal. If Canada is to begin progressing again, we must first convince Canadians that they have a reason to invest in Canada. The best way to invest is to assure Canadians that they will be able to own a property or a home, because that is the backbone of Canada. The fact that Canadians who now own homes have little hope of retaining them and those who do not own homes have no hope of ever owning one is causing the sickness which is evident in Canada today.

Another very real problem Canada is saddled with today, which is also causing its sickness, is the breakup of the family unit. A great many of those divorces can be directly related to the interest rates being imposed on people who have mortgages. The entire scheme of mortgages has changed before their very eyes. Years ago when people bought homes, they knew they would be able to get a mortgage for 20 years. It was assumed that you would not buy a home until you knew that the payments were affordable and you could own it in 20 years. However, as government programs developed, those 20 years became 30 and the 30 years became 40 and then up to 50 years. There are no 20-year mortgages, 30-year mortgages or 50-year mortgages any more. The average Canadian home owner today must be able to keep their mortgage afloat for one year. At the end of that year they wonder if the mortgage company will allow them to renegotiate at an interest rate which is unknown to them.

In addition, these home owners are faced with having to pay a larger portion of their total income for the mortgage. You are at home talking to your wife—if you are talking—trying to figure out if you will make the car payment, the mortgage payment, buy food, or if you are able to do all three or any part of those three. Not only are people getting frustrated, they are becoming mentally sick. Now the government tells Canadians that it will freeze their wages, which will limit their income, while interest rates continue to rise—which the government will allow to happen—and the cost of living along with everything else will increase.