

Housing

Mr. Blaikie: Point of order, Mr. Speaker. Would the hon. member permit a question?

Mr. Epp: Mr. Speaker, of course I will answer a question when I have finished my remarks.

The Acting Speaker (Mr. Ethier): Permission is not granted.

Mr. Epp: Mr. Speaker, if the hon. member wants to ask a question and is not recognized during the regular question period I will gladly answer at the end of my comments. I know this is a very sensitive subject for members of the NDP. They do not want to hear that it was they who opposed property rights, aided and abetted by the government.

Mr. Blaikie: What about the Premier of Ontario?

Mr. Epp: At that time the government still wanted the support of the NDP and still wanted the support of Mr. Blakeney. But here they are saying, "Housing is a basic right but we are against property rights." That is the position of the NDP.

But they have another position, Mr. Speaker. They say they want housing. What kind of housing do they want? It is not necessarily the housing the individual owns. What they want is more social housing. Perhaps that fits with their idea that they do not want property rights. All members of the House are interested in social housing but surely the best type of housing is that owned by the person who has the ambition and makes the opportunity to buy his own home. They keep saying this, yet they want the same ownership rights and the same property rights as the rest of us. It is just that it is politically convenient for them to posture on social housing.

I heard another interesting suggestion by the NDP to the effect that mortgage deductibility was of benefit only to the middle class. Who makes up the middle class, Mr. Speaker? Why do we have to get into this kind of class structure at all? I thought the vast majority of Canadians regarded themselves as middle class, whether they are union people, shop owners, farmers, housewives or whoever. Basically most people think they are middle class. The best charge the NDP could come up with against mortgage deductibility was that it would help the middle class. I want to tell hon. members of the NDP that the middle class of Canada, the group of men and women who pick up their lunches early in the morning and go to work, are paying the freight. It is time government recognized that they also have needs. One of their greatest needs or desires is to own their own homes, their own property.

● (2130)

It was also mentioned that people were not convinced that the mortgage tax credit would help them. I attended a meeting in Pine Falls at which the lady of one household asked, "Is it definite that one of your first priorities will be the introduction of a mortgage tax credit?" I indicated that it was. She said, "I am voting for your party because that program is the only hope my husband and I have seen, of ever being able to own our home". Do hon. members know what the interest rate was at that time? It was 13 per cent.

What have been the interest rates under this government? They have been 20 per cent and 22 per cent. Some people might say that we should have high interest rates because at least they are bringing down inflation and keeping up the dollar. The dollar today is below the 82-cent barrier, at 81.68. Today we have a low dollar value which will increase inflation because of imports; obviously this in itself will increase inflation. At the same time we have high unemployment. Every economic index indicates that we are in a crisis today, and housing is not exempt.

I am one who is not very keen to have the government involved in all kinds of programs. The best initiative is the knowledge that an individual can eventually own something; then he or she has a commitment. Something happens to young Canadians when they put their names on that first mortgage. At one time there was generally a lot of hope; today they are not putting their names on that first mortgage because they know they cannot afford it. As a result we are becoming more and more a nation of renters.

The elderly may say this is a natural phenomenon because we are becoming more urbanized, but when we get into the question of rental accommodation we must consider vacancy rates. Who is willing today to invest money in rental accommodations? Who will take the risk when people can turn around and purchase Canada Savings Bonds at 19.75 per cent? Why take a risk when one can obtain such a return?

In the short time remaining, and speaking specifically to the bill, I want to relate an incident which indicates how the inadequacies of the budget affect individual Canadians. During the Christmas break a fellow walked into my office and asked whether there was something in the budget which would give him either interest deferral or a grant. He explained his situation. He was out of a job and he was behind in his payment schedule. He wanted to know whether there would be some kind of relief in the budget. I dug out the two paragraphs in the budget which indicated that his payments must exceed 30 per cent of his gross income and that during the period of high interest rates he must have rewritten his mortgage. Those are the two basic components.

While the gentleman was in my office I telephoned CMHC in Winnipeg and asked for a ruling, and, basically, I was referred to the two conditions. I indicated that this situation was somewhat different because his mortgage was with a credit union. Generally credit unions rewrite mortgages at different periods of time. They are lines of credit or some people call them "demand loans". Some credit unions have fluctuating interest rates; technically it was rewriting his mortgage rate whenever interest rates changed. Other credit unions, for example, do it on a half-yearly or yearly basis.

When I explained that to CMHC officials in Winnipeg, they were very kind. They said, "We do not know what the answers are, but we will get the information." That was fair enough. They called Ottawa and the officials in Ottawa said, "We never thought of that." They are the ones who wrote the