

*National Housing Act*

is to own their own home. If people are prepared to sacrifice other luxuries or unnecessary commodities and are prepared to work hard for that ownership, why can we not provide them with the opportunity to do so? The sad fact is that in many cases families who are ineligible to qualify for C.M.H.C. loans are paying as much or more in rent as they would be in payments toward the purchase of their own homes.

I submit that if the government is really serious about broadening the base of home ownership it must take positive steps in bringing about a reduction in the actual cost of a home to the consumer. There are ways in which this can be done, as I and other hon. members have pointed out. One is the removal of the 11 per cent sales tax which would reduce the cost of a home by approximately \$700.

With regard to those in the low income group, I suggest that serious consideration be given to some form of subsidization of the present high interest rate not only of C.M.H.C. mortgages but private, bank and other institutional mortgages. We have had ample evidence of subsidies being granted by provinces in respect of health services, and I place health and shelter on about the same priority level. Why can we not utilize a similar scheme with respect to interest rates? For example, those families with an income of \$300-\$350 per month might pay 4 per cent on a mortgage, those making \$350-\$400 might pay 4½ per cent, and those making \$400-\$450 might pay 5½ per cent. Surely if the federal government were prepared to pay 75 per cent of the capital cost of subsidizing housing and then share in the operating costs, such a program with regard to interest rates could conceivably be implemented, thus improving the opportunity of home ownership for Canadians who wish to have a real stake in the future of this country.

● (5:10 p.m.)

We have heard much about the ever-increasing property taxes across this country, the ever-increasing economic burden, the ever-increasing cost of living and the increased hardships in raising a family, with exemptions for income tax purposes being as outdated as the model T Ford. In view of the government's failure to realistically upgrade personal exemptions, why can some consideration not be given to an encouraging alternative measure to home ownership, that is, to allow property taxes up to say, a maximum

[Mr. Mazankowski.]

of \$500 to be eligible for income tax exemption?

With the continual spiral of property taxes in this country, some measure to curtail such increases will soon become a necessity. Here again those in the smaller communities are more affected in that the tax base is not as broad as it is in the larger cities. Hence, services such as sidewalks, water and sewage and pavement, not to mention education, become a heavier burden to those in smaller communities. This is clearly evident when one compares the property taxes in most cities and towns.

In the eyes of many builders in Canada, C.M.H.C. does not work as harmoniously and co-operatively with contractors as it could or should. As one contractor put it, "There is not a builder in the country who has been nit-picked by certain unjustified interpretations of the national building code." There are many standards and requirements that are ambiguous and in many cases should be completely reviewed and redrafted in plain language so that at all times the builders know where they stand. Much animosity is created between the builder and C.M.H.C. with respect to progress payments and appraisal values at various stages of construction.

Another cause for delay and additional costs to the consumer is the legal charges and the delays in releasing money to builders. There are many cases of exorbitant legal costs, and I object most firmly to the C.M.H.C. practice of choosing lawyers from a limited, selected list. I submit that the builder and the customer should be free to select the lawyer of their choice to transact their legal work. This choice should be given to them, and their bargaining rights upheld.

I submit that the housing crisis as it now exists is solely the product of this government which through its mismanagement, its lack of foresight and its lack of positive, sound and economic policies has placed this country in an economic climate of frustration and anxiety, and has given cause for some doubts about our economic stability and future.

The unfortunate taxpayer is at present being grossly overburdened with taxes; yet we see each level of government scrambling for more tax dollars to the point where there is competition for tax revenues among all levels of government. Tax sharing and tax collection by all levels of government working in co-operation must be co-ordinated in order to avert this competition.