

### *Mortgage Tax Credit*

At this conference, as I was saying, governments across the political spectrum agreed at the provincial level that deductibility was the answer. If my memory does not fail me, and I can be corrected on this, the New Democratic government in Saskatchewan, prior to the last election, came out with a modified system of its own providing for a rebate. Indeed, the party in the corner opposite me whose members have been arguing so strongly against this bill may be surprised to know that the government of Saskatchewan, one of the strongest provincial governments in the nation, adopted a measure almost identical to the one before us. Why did they do so? Was it because of their philosophy? Maybe they did so because it was good politics. What is wrong with good politics when it helps people? What is wrong with good politics when it helps a lot of people?

There is no doubt we are the best housed people in the world. Our occupation rate for housing units is, if I remember correctly, just below three and our housing stock is fairly young. The ratio of home ownership to apartment dwelling is still fairly high. So we are well housed.

At the present time, though, we are entering a new era in housing, one which is related to very high energy costs and severe new demands on services. Moreover, a lot of the housing stock owned by average Canadians is in need of repair. One of the fastest rising costs in the field of housing besides interest rates in the last couple of years is represented by property taxes. Property taxation in this nation is rising dramatically because we have enjoyed and demanded a highly upgraded kind of urban life. Nothing in our society has been more dramatic than the rate of urbanization in the last 25 years. People have demanded all kinds of new services, particularly at the municipal level. Municipal taxes used to be levied for water, road work, street lighting and so on. Today municipalities provide a wide range of services, including education, social services, special services for single parents who wish to put a child into a day care centre, and so on. No end of services are provided at the municipal level and the tax burden has become increasingly heavy in consequence.

It is interesting to note the high percentage of home owners there are across the nation. From now on our housing stock will be increasingly in need of repair and I suggest that CMHC will, in future, be more involved in repairing and insulating housing than in building new units. But here are the home ownership figures: Newfoundland, 80.6 per cent; Prince Edward Island, 77.6 per cent; Nova Scotia, 72.4 per cent; New Brunswick, 71.8 per cent; Quebec, 50.4 per cent; Ontario, 63.6 per cent; Manitoba, 66.4 per cent; Saskatchewan, 75.4 per cent; Alberta, 64.8 per cent; British Columbia, 65.3 per cent; the Yukon and the Northwest Territories, 34.5 per cent; Canada as a whole, 61.8 per cent.

All of us know that there are senior citizens who are in a difficult position. I have opened more senior citizens' housing in three and a half years than most people here in this chamber. And I am repeatedly told by those senior citizens that they would have preferred to stay in their own homes but

they could not afford to do so. So they moved into government housing where rents are geared to their incomes.

• (1710)

Because some senior citizens do not pay income tax, they may not get the advantage of this program, and it is therefore being suggested that it is unfair. There are other programs to deal with senior citizens. One of them is the construction of government housing which has been happening on a massive basis in this nation. Senior citizens are moving away from the loneliness of their own homes, in some instances, and into an atmosphere and environment which they enjoy. I am proud that CMHC and the provinces have come out with a number of excellent programs. Suites of 500 to 700 square feet of excellent living space for senior citizens are being supplied. This is a very enjoyable type of housing which provides an existence for many people in their later years, although not all senior citizens have gone to this form of housing.

This program is not a one-time program. It is not a two-year program, a three-year program or a five-year program.

**An hon. Member:** It is a nothing program.

**Mr. Yurko:** It is a program which we hope will continue, unless some silly party forms the government and negates it later. It is a program which will last a long time, and much housing stock will revert from senior citizens to young couples and from middle age people eventually to younger folk. All that housing stock will at some time or other house people who need breaks and who will repair much of that housing stock.

That is one of the reasons this is fundamentally a sound program. It was recognized by provincial governments across the nation with regard to the property tax deductibility aspect. It was not only recognized but, indeed, implemented by the NDP government in Saskatchewan. I must say that just now and again that party over there has a good idea and implements it. That does not happen often, but I do have to give it credit every now and again.

I want to talk about mortgage interest deductibility because mortgage interest deductibility is in a different category. To be perfectly honest, at the sectoral conference on housing in January of 1978 among provincial governments provincial ministers could not reach agreement on this. We could not and did not find a consensus on mortgage interest deductibility. We sent the matter back for more study. One of the reasons we sent it back for more study was that we recognized what was happening to the housing stock in the nation. Housing stock was very high. In many situations one person was occupying 2,000 square feet of housing stock. In others, couples, be they senior citizens or whatever, were occupying in excess of 2,000 square feet of housing stock. We knew what was happening or what was going to happen to energy costs. It did not take any great magician at all to recognize that energy costs were going to skyrocket. When I lived in New Jersey my energy costs were in the order of \$50 a month. I visited my brother the other day.

[Mr. Yurko.]