

Mortgage Tax Credit

A lot of members on this side of the House have things to say about this bill. We want to make it a better bill and do something that really counts for Canadian home owners. We want to do something that really affects renters. We want to eliminate regional inequalities and to help the people in the maritimes whom the Minister of Finance and the minister responsible for housing purport to represent. They are getting snookered under this bill. We want to help the people in the big cities who are also getting snookered under this bill, and we want to help people in the other regions who receive little benefit under this bill.

Our dedication and commitment, Mr. Speaker, are to spend as much time as is necessary and do as much work as is necessary to help this government in its maiden effort, its virginal launching into the field of being a brand new government. It is obviously still in need of a great deal of assistance and, Mr. Speaker, we are pleased to provide it.

Some hon. Members: Hear, hear!

Mr. Bob Rae (Broadview-Greenwood): Mr. Speaker, it is always a pleasure to listen to the contribution of the Minister of Finance (Mr. Crosbie). I am reminded of the marginal notes in many a speech where it says "weak point, shout louder," because whenever the minister makes his speeches he is always shouting.

An hon. Member: Louder, louder.

Mr. Rae: I do not have to speak louder.

● (2150)

The minister knows full well that there is no economic justification for this measure, that there is no tax justification for this measure, that there is no justification for this policy as a housing policy, and as a social policy it is one of the most unfair, regressive, and selfish pieces of legislation that we have ever had brought before this House. If he is the man who is going to bring economic responsibility and fiscal restraint to Canada, where does this measure stand in this policy?

Where does this line up with the policy that we are going to have the lowest deficit in Canada's history, and that over night the \$11 billion deficit is going to be wiped out? The minister knows that and we all know that the Minister knows that, and we all know that the minister fought tooth and nail to prevent this legislation from coming to the floor of this House. We know that he did not believe what he just said. The fact that he had to spend his whole speech reading from some recondite Liberal lawyer in Toronto whom no one has ever heard of, buried deep in the pages of the *The Globe and Mail*, in order to salvage this pathetic piece of legislation, is an indication of how desperate he has become. If the minister believes in this legislation, why does he not stand up?

An hon. Member: Louder, Bob.

Mr. Rae: Why does the minister not speak to us and speak directly to the Canadian people, and tell us how this fits directly into the policy of restraint? It has nothing to do with

restraint, and he knows it has nothing to do with restraint. It has nothing to do with providing help to those people in Canada who face a difficult economic situation, and who are facing a problem of meeting the rising cost of interest rates, housing and rent. This is not a bill that deals with that problem.

Another thing that has to be said—I know the minister has rejected it out of hand, but it has to be said—is that you went to the Canadian people on May 22, and I think there are many Canadians who voted for you because of the mortgage interest deduction scheme, but I think most Canadians are now asking themselves why they voted for you. I think those people who did, still cannot figure it out.

Many of them voted for you because you promised a stimulative deficit. Many of them voted for you because you promised lower interest rates. Now we have "Crazy Rates" as the Minister of Finance. He is giving figures for a 10 per cent mortgage. Mr. Speaker, if one goes to the bank today and asks for a 10 per cent mortgage, see how long the bank manager looks at you before he makes a phone call to the local hospital. The rates that are being charged now are 14 per cent, 14.5 per cent and 14.75 per cent, and every single benefit that you would have got back on May 22 has been more than wiped out.

The figures speak for themselves on this score. The figures show that you will get \$3,750 over the four years. That is the total the minister himself quoted, namely, \$3,750 in tax credits. Yet the impact of the 20 per cent rise in interest rates since May 22 has been to wipe that out entirely, and in fact has increased the cost of borrowing over a four or five-year period on a \$50,000 mortgage to approximately \$2,500 more than \$3,750.

We have a government that gives and a government that taketh away. We have a government that bases its social policy on that old Billie Holiday song: "Them that's got, shall get; them that's not, shall not." So the Bible says, and it is still not news. "Papa may have; mama may have, but God bless the child who has its own." It is God bless the child who owns his home and the devil take everybody else. Those millions of Canadians who do not own a home or have a home, and those millions of Canadians who have paid off their mortgages, those millions of senior citizens who have paid off their mortgages, do not get the benefit from this particular scheme.

Some hon. Members: Oh, oh!

Mr. Rae: It is all very well if you want to sacrifice people on an illusion of what they will be able to buy in the future at the same time you give them 15 per cent interest rates. If that is what the hon. member for Mississauga South (Mr. Blenkarn) is offering as a coherent economic and social policy to the Canadian people, then I wish him luck.

There has been much talk of the May 22 election. I simply want to talk about my own region. I am here as a representative of that region and it is of it that I want to speak. It is a diverse riding in the sense that there are many tenants in it. I would say about 20 per cent of the riding is made up of tenants