

*The Address—Mr. W. C. Scott*

On Leaders' day, December 9, our Leader, Brian Mulroney, recalled the Throne Speech given in 1980 by the same Government. He quite accurately showed how this Government really does operate on a two-track strategy. Along one track, which never seems to get anywhere, we find the promises the Government lays out from time to time on occasions such as this. The other track, which always goes in the opposite direction, is the one that the Government really follows. It is driven by the engineers in the Liberal Party who have been travelling in ever-diminishing circles for years now bringing the country down with them.

Going back even further than the 1980 Throne Speech, I want to refresh your memory, Mr. Speaker, about a campaign promise made in 1974. The Prime Minister (Mr. Trudeau) announced then that his Party, when elected, would make it a legal right to prepay residential mortgages during the first five years of the mortgage agreement, if the person wished to do so, without excessive penalties. Every Member of this House knows the hardships that the total disregard of this promise has caused. During the ensuing years when interest rates soared, people were forced to renegotiate their mortgages at exorbitant rates and were advised by financial institutions to accept long terms to ensure their rates did not go even higher.

During the 1980 election campaign, our Party proposed a mortgage deductibility program which would have given people a tax break to buffer them from the effects of the high interest rates forced on us by this Government. We recognized the need to help out home owners and the real estate industry. Earlier this year, my office was deluged with letters from constituents who had been forced to renegotiate their mortgages when the rates were around 22 per cent. The lenders were refusing to allow them to renegotiate without huge penalties.

On April 26 and April 27, 1983, I brought this matter to the attention of the Minister of Finance (Mr. Lalonde) and the Minister of Consumer and Corporate Affairs (Mr. Ouellet). They at that time refused to acknowledge that this was a problem. I and other Hon. Members then forwarded individual cases to both Ministers to show that it was indeed a problem.

In September of this year, I sent out a questionnaire to my constituency. There were 37,624 copies of this questionnaire sent out. I received 4,426 responses, an 11.8 per cent response rate. One of the questions I asked was: "Should the federal Government provide trust companies and banks with an incentive to renegotiate high-rate, long-term mortgages with their clients?" Of those who responded, 54.2 per cent said yes, the Government should do so. Despite this kind of input the Government chose to take no action.

Just before this Throne Speech, the Minister of Consumer and Corporate Affairs hinted that this problem would be addressed in the new session. I would like to ask the Minister whatever happened to that suggestion. I heard nothing in the Throne Speech about that idea. There were no concrete measures there for the housing industry or mortgage holder. No one can argue with the comment in the speech that "Canadians

require improved security against losing their homes or businesses".

I also agree with the Government when it says in the Throne Speech:

These measures should increase the accessibility and security of home ownership, provide a greater measure of confidence and stability to the home building industry, and enhance the flexibility of the mortgage market.

The question is, what measures is it talking about? What does "legislation and other measures" mean? Does it mean a resurrection of the Canadian Home Ownership Stimulation Plan? Does it mean the Government has finally agreed to implement our Party's mortgage deductibility plan? Will home owners with high interests rate mortgages be allowed to pay down their mortgages? None of these questions is answered. All the Government has said in this area, as in the rest of the speech, is that it now knows what the problem is and it may try to solve it. No Hon. Member of this House should advise his constituents to take that promise back to their bank or finance company to use as collateral.

What with the Government's failure to properly assess the funding required for the Canadian Home Ownership Stimulation Plan last spring and its failure to make any concrete proposals in this speech, I am not surprised that its motives are questioned by home owners and the housing industry alike.

When the Government announced last spring that it was reorganizing the Department of Regional Economic Expansion to become an integral part of the new Department of Regional Industrial Expansion, I welcomed the change. The new Industrial and Regional Development Program which was passed in June held out promise to be of much more help to my constituency than were the DREE programs. Victoria-Haliburton was placed in a Tier 3 bracket and I was quite pleased about this. However, what has happened in a number of cases has been quite disconcerting. In one instance a small but growing firm was advised that it would be accepted under the old program. When the new IRD Program came into effect, this firm's application was dropped like a hot potato. I have been fighting for that firm's survival ever since. It has the potential to employ many of my constituents who would otherwise go hungry this winter. How can I, as their Member of Parliament, stand back and see this potential employer held up because the new program is different from the old one?

• (1210)

In another case, a rather large manufacturer in my constituency has been waiting for approval of its application since July. It is a solid firm with great potential for expansion and growth. The constituents of Victoria-Haliburton need the jobs this expansion would create.

I hoped that this Throne Speech would expand and simplify assistance to regional development. Instead, it just reannounced the Industrial and Regional Development Program and said that the Government will be re-signing the ten general development agreements with the provinces which expire in 1984. No new initiatives were brought forward. In short, there is nothing in that speech which will give any