

are continually falling behind. People are losing their homes because their mortgage costs have gone up 60 per cent in five years. The average Canadian can no longer afford to buy a home because interest rates are so high. The government has abdicated any sense of responsibility for what is going on in the economy.

Yesterday the Minister of Finance told us we cannot say there is a relationship between the budget and unemployment—that to do so was to presume a cause and effect which might not be there. That is a statement I would have expected from those in this House who seriously believe there is not very much governments can do. However, it came from a minister whose career has recognized the fact that we live in an activist world where governments have to play an activist role. For him suddenly to announce to the House there is nothing he can do about the situation creates tremendous uncertainty.

He said that if we have any crystal balls, would we please send them over. Well, the Liberal party has had a monopoly on crystal balls for many years. The fact is, we are not living in the secure, quiet, peaceful terrain occupied by members opposite. We are living in a hurly-burly world. The Toronto-Dominion Bank is paying tax at the rate of 0.7 per cent for the first nine months of 1980. Yet it is seriously argued that we should leave the whole setting of the interest rate pattern to the marketplace, that the government should not be directly involved in any way, and that we should leave entirely to the vagaries of the market what happens to the fate of working people.

It is a return to the world of the bailiff and the court. People are evicted because they cannot pay their interest rates and cannot pay their rent. It is an absurdity in the 1980s that we should be returning to the morality, economics and ethics that were discredited in the 1920s and should not have been allowed to rear their ugly heads again.

There has been a lot of talk about relevance. What could be more relevant when dealing with the Bank Act, and an amendment by the hon. member for Edmonton West which would give a particularly privileged position to our trust institutions, than to talk about what is happening to housing, mortgage rates and working people? That is what we have attempted to do in this debate this afternoon. I do not intend to make any apologies for it.

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, in the ten minutes remaining before four o'clock I am pleased to have an opportunity to discuss the amendments before us. It might be significant to pick up the discussion where my colleague left off. Our concern is for relevance. Let us make no mistake, the debate this afternoon is extremely relevant. Not only is our approach to this clause and the proposed amendment relevant, but it extends beyond that. It extends to the philosophy we would like to develop in the legislation and, beyond the legislation, in the government itself. It is no accident that both the Liberal party and the Conservative party have been silent today. The proposal by the hon. member for Edmonton West (Mr. Lambert) has the effect of turning the dials on a very technical clause which he thought was relevant to the Bank

Act when really it did not concern people in the way in which he thought they should be concerned. This demonstrates a tremendous lack of sensitivity. The hon. member was not able to look beyond his proposal, at the effect it would have on the act and the underlying statements which exist within it.

• (1550)

The proposal basically suggests that the banks should get out of the mortgage business. But then where would the money come from? Nobody has an answer. We need more money and more housing but at cheaper rates. There are a variety of problems. Both parties were silent on this topic this afternoon. When I asked some hon. members on the government side involved with housing programs what they thought the hon. member for Edmonton West was trying to achieve in his proposal, they said that they did not know. When I asked these same members if they would speak on the subject today, they said that they did not understand it. One hon. member, when I asked him what he thought the government was attempting to achieve with the Bank Act, said he did not know, that the only thing he knew about the Bank Act was that it weighed five pounds.

Such comments by members opposite would seem to confirm a general lack of knowledge on their part. We would like to know how this legislation will affect people. The banks are doing very well, and when we turn knobs or pull levers in this legislation, the important thing is the effect on people. I do not wish to bore the House with more statistics, but housing in Vancouver is in very short supply, as indicated by the hon. member for Vancouver East (Mrs. Mitchell).

There is an interesting article in today's *Globe and Mail* which describes a young family with children living in a skid row hotel because no other housing is available. They are forced to live there because of the policies of the government. Neither this government nor the previous administration have addressed housing problems squarely, but at least it should be recognized that we are facing a crisis and that if this crisis is left to fester, it will become a catastrophe.

Obscure as this clause may seem to some hon. members, the reason I have taken such an interest in it and why I was hurling the odd intemperate remark across the floor, for which I now apologize, is because there are people in my riding who are sleeping in cars. I am describing what is happening in the community of Powell River, but it is also true of other communities such as Courtenay and Campbell River. Prices on houses are just too expensive for many people in my riding. They simply do not earn enough income to qualify for a mortgage.

Some years ago the mill in Powell River was automated and as a result large numbers of people were laid off. Because this is an isolated community it was very difficult for people who were moving to sell their homes. With the surplus of unsold homes, housing development was at a standstill. Suddenly there was a major plant expansion, but no consideration was given to where new employees would live, and when they arrived in Powell River there was no housing available. Some