

Is this legislation a means of superseding the Canada Mortgage and Housing Corporation to eliminate existing programs and through taxation distribute funds of \$2 to \$3 billion to those who are already fairly well off? We are not ready to vote for or against such legislation, Mr. Speaker, because Canadians are wondering what will become of the Canada Mortgage and Housing Corporation that has been in charge of our housing programs. We succeeded in having a yearly average of 235,000 housing starts.

An hon. Member: Excellent!

Mr. Roy (Laval): We had the Gallup poll I mentioned at the beginning of my remarks, according to which 85 per cent of Canadians are satisfied with their present housing, in 1978. We achieved all that thanks to the Canada Mortgage and Housing Corporation. However, I would like to know what will happen to the corporation before voting on this legislation.

In conclusion, Mr. Speaker, it seems to me that one can judge how important are the food chains that advertise and are very popular by the number of customers they get. In the food business, we hear that Steinberg's is on our side. It is a commercial, Mr. Speaker. I would say that Canadians are aware that as far as energy and housing are concerned, the Liberals are on their side.

An hon. Member: Indeed! The Progressive Conservatives are against them.

● (1650)

[English]

Mr. Bill Yurko (Edmonton East): Mr. Speaker, I am pleased to again get up in my place to speak in support of Bill C-20. I have been impressed by the honesty and the concerns expressed by the various members when giving their views on this bill. The people of Canada also have a view, an honest one. They have indicated to us that they are in favour of this type of bill.

The only time I was somewhat distressed was when a member across the way this afternoon questioned the propriety of members voting on this bill because they own a house and might therefore have a pecuniary interest in this bill. In my opinion, that is a ludicrous position, hardly sufficient in scope or intelligence to be placed before this House.

There are many pieces of legislation that come before a provincial legislature or indeed the House of Commons which affect each and every one of us in some manner. The income tax legislation affects every one of us. Therefore, to put Your Honour in the position of having to rule on the matter is below the level of debate that should occur in this House. If the hon. member feels so bad about this bill, perhaps he will not want to claim the tax credit. As well, some on the other side who own businesses or apartments may not want to deduct their property taxes and interest paid with regard to those businesses and apartments.

Mortgage Tax Credit

It is important that we pass this legislation before Christmas so that Canadian families who own homes might take advantage of this deduction and reinvest their money in other areas of the economy. I might say that the idea of mortgage deductibility and tax deductibility from income tax is not a new idea, as some members have said.

An hon. Member: You never have new ideas.

Mr. Yurko: I have no hesitation in saying that as minister of housing in Alberta I suggested this proposal to the former minister in the Liberal government in 1975, 1976 and 1977. At a sectoral conference of housing ministers in Alberta in January, 1978, a conference which I initiated and which was the first of a series of sectoral conferences, this issue was very specifically discussed. We dealt with it in two forms. First, we dealt very specifically with property tax as a deductible item from income tax paid. The view was very strongly expressed that no person in our society should have to pay tax on tax.

The fundamental principle here is that people are paying taxes on taxes. This is a beginning toward removing an inequity for certain people in our society. I hope later to state approximately how many in this nation own their own homes. Certain people in our society are paying taxes on taxes that they have already paid. It is very easy for tax accountants to get up and confuse us with technical terminology and suggest there is no equity here or that there is no equity there. Mr. Speaker, there is no equity in a tax in the eyes of the person who has to pay that tax. But by far the greatest inequity is when people, particularly home owners, have to pay tax on tax. That is a totally improper type of tax.

● (1700)

I want to tell hon. members what happened at that sectoral conference of housing ministers from across the land.

An hon. Member: You weren't there!

Mr. Yurko: I chaired the conference. There was unanimous agreement among the provincial ministers. We met on the first day as provincial ministers only and on the second day we met with the former federal minister to tell him what we had agreed upon the previous day. We came to the unanimous decision that property taxes up to a certain level should be deductible for income tax purposes. There had been agreement from Progressive Conservative governments, from a Liberal government—at that time Prince Edward Island still had a Liberal government—from NDP governments and from Social Credit governments. Governments from every party in the country recognized the need to make property tax up to a certain level deductible by home owners, fundamentally because of the inequity of paying tax on tax.

A large percentage of poor people are paying 35 per cent of their net incomes on acquiring their homes. Some of them are even paying as much as 50 per cent of their net incomes for this purpose and they are being called upon to pay a double tax, tax on tax. I say that no poor people, or people with average incomes, should ever be called upon to do that.