

*The Budget—Mr. Riis*

That the amendment be amended by inserting thereto, after the word "rates", the following:

"and further for failing to bring about an immediate reduction in interest rates; for increasing the tax burden on lower and middle income Canadians; for failing to implement a strategy to strengthen Canada's job producing industrial capacity; for failing to strengthen FIRA's ability to protect Canadian productive capacity and jobs; for further reducing the purchasing power of many Canadians by instituting wage controls in the public sector; and for reducing pensions and other social programs; therefore—"

I want to comment very briefly on the housing provision that was introduced. After much fanfare the impression was that the housing industry can now begin to take off. The program introduced was to result in a miraculous change with respect to the housing program in Canada. Again, I do not know how the Minister of Finance had the courage to stand up and say that the government was going to make a major commitment to the co-operative housing sector by adding 2,000 more units across Canada. The city of Vancouver alone will take up 2,000 more co-operative housing units, let alone the idea that this will have any meaningful impact across the country.

● (1620)

Considering the \$3,000 grant, the problem is not to assemble a downpayment to buy a home these days but, rather, it is what on earth to do with the 20 per cent mortgage. That is what is keeping Canadians from purchasing homes, not the fact that they do not have \$3,000 toward a downpayment.

**Some hon. Members:** Hear, hear!

**Mr. Riis:** It is interesting to look at the figures. One finds that a typical home in Canada costs \$67,500 today. It requires a 10 per cent downpayment which means that, in order to qualify for a mortgage, a family's income would have to be \$45,000 per year. The average family income in this country is less than \$30,000. What this means is that virtually no Canadian will be able to take advantage of this program. Perhaps there will be a handful of exceptions. I might also add that the government grant might cause some incentive to add \$3,000 to the purchase price.

Is there anything in the budget for renters? Canada Mortgage and Housing Corporation itself states that half a million low-income renters pay more than 30 per cent of their income for shelter, yet when one considers what this budget will do for the renters of Canada, one finds that it will do very little indeed.

**Some hon. Members:** Nothing!

**Mr. Riis:** "Nothing", as a number of my colleagues say, would be closer to the truth.

**Mr. Deans:** Just adding to their tax burden.

**Mr. Riis:** As a westerner, I was listening very closely to what the minister had to say concerning the Western Development Fund. I remember that back in 1980 when it was introduced, \$4 billion was devoted to assisting western Canadians. Then in the next budget it was reduced to \$2.2 billion. In this

budget the western development fund is totally non-existent. That is interesting.

**Mr. Broadbent:** It is the story of the Liberals of western Canada.

**Mr. Riis:** As the hon. member for Oshawa (Mr. Broadbent) indicates, it is the story of the Liberals of western Canada who have met with the same result as the Western Development Fund.

I suspect that in this budget we have seen the beginning of the end of indexing in Canada. It will take \$1.3 billion out of the taxpayers' hands and put it into the government's hands, which means, of course, that the government will have a vested interest in inflation. That is very dangerous. This government cannot be disciplined if it has a vested interest in the rate of inflation assisting its cash flow. We see that the budget will protect one group, the investors of Canada. A number of provisions in the budget will assist investors in their problems with inflation, but there is nothing for the average working Canadian.

This was a missed opportunity. The people of Canada were looking to the Minister of Finance to provide them with some hope and a new direction. The opportunity to reduce interest rates was missed. The opportunity to initiate renegotiation of those oil and gas prices was missed. There was an opportunity to cut the taxes of Canadians to enable them once again to purchase goods and services from Canadian manufacturers and suppliers. There was an opportunity really to stimulate housing and to create jobs because of the massive spin-offs from that industry. But that was missed as well.

There was an opportunity to introduce serious procurement policies. When we look at the facts, we find that if Canadians were prepared to use one week's wages to buy Canadian goods as opposed to foreign imports, it would automatically create 25,000 jobs just by that one deed alone. We need to have strong "Buy Canada" programs in place, strong procurement programs in place and strong production agreements with some of the foreign multinationals as well. We should say to the foreign multinationals that if they are to carry on operations in Canada, then they must start providing jobs in this country, not simply use it as a marketplace. We should tell the Japanese auto industry that if it is to provide 200,000 vehicles to Canadian purchasers this year, then it must start sourcing some parts and components and assembling those vehicles in this country as well. In other words, if these multinationals are to gain profits in Canada, then they must start creating jobs in this country as well. That is our bottom line.

**Some hon. Members:** Hear, hear!

**Mr. Riis:** Again, that was a missed opportunity.

There was a missed opportunity to introduce research and development incentives for Canadian companies, individuals and institutions. Of course, there was a whole number of changes for which we were hoping in relation to those who work in the northern parts of Canada. There should be