

Oral Questions

answer is of some considerable importance to the Members of this House today.

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I have never felt that I myself as a Minister from Quebec, nor the Quebec caucus, nor the Cabinet or other Quebec Ministers in the Cabinet, have ever wished to shirk our responsibility with respect to the F-18. I think that our past statements and projections are still valid. The figures are still there, and not only do I have the impression but I am certain that Quebec will maintain the position it held in Canada's aviation industry when the F-18 contract was signed, namely 48 per cent, and we shall do everything necessary to make it so.

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[English]

HOUSING**CONSTRUCTION OF SOCIAL HOUSING UNITS**

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my question is for the Minister responsible for housing. The Minister will know that housing starts in 1982 were even lower than the pessimistic projections put forward by the previous Minister, and I am sure he will agree with the previous Minister when he identified one of the major problems facing the housing industry as the growing number of Canadians who pay more than 30 per cent of their incomes to provide shelter. One of ways to ease that situation, and one of the ways to ease the situation for the growing number of Canadians who are homeless, is to provide more money for social housing. Will the Minister explain to the House and to Canadians why at this time the Government has chosen to cut back social housing to the tune of 2,500 units?

Hon. Roméo LeBlanc (Minister of Public Works): The Hon. Member, Madam Speaker, should ask for information before he asks questions. In 1979 the level was set at 25,000 and almost every year since then it has exceeded 25,000, always with the provision that, when the situation improved, we would pay back to the Department of Finance the borrowing we had made. In the light of the present situation I have asked my colleague, the Minister of Finance, and have had discussions with him, to put off the date when these units will be restored and, in fact, to continue at a level of 25,000, if not more, for the current year, and that decision is pending.

Mr. Riis: Madam Speaker, I do hope the Minister of Finance listens to that suggestion, and I would ask that he even consider what our party has proposed, namely, to add \$500 million to that section of the budget, which would provide

50,000 additional units, and in addition create 100,000 new jobs in Canada.

PENALTIES CHARGED BY BANKS FOR RENEGOTIATION OF MORTGAGES

Mr. Nelson A. Riis (Kamloops-Shuswap): Madam Speaker, my supplementary question is directed to the Minister of State for Finance, the previous Minister responsible for housing. Considering that some of the banks have been paying no income tax for 1982, in spite of profits in the \$300 million and \$400 million range, and that banks are still asking people to pay an incredible penalty, often to the tune of many thousands of dollars, in their efforts to renegotiate their mortgages to take advantage of the falling interest rates, is it not time for the Minister to stop this process that the banks are presently involved in, and ask them to reduce the penalties they are charging Canadians to allow Canadians access to these lower mortgage rates?

Hon. Paul J. Cosgrove (Minister of State (Finance)): Madam Speaker, the representation made by the Hon. Member is one that has been made to the Minister of Finance. The Minister has indicated that, given the opportunity, he intends to raise this subject with representatives of the banking industry.

REQUEST THAT GOVERNMENT MAKE REPRESENTATIONS TO BANKS

Mr. David Orlikow (Winnipeg North): Madam Speaker, my question is a further supplementary to the Minister of State for Finance. Given the fact that mortgage interest rates have come down by as much as 6 per cent in recent months, why should the Government not take immediate action to say to the banks and mortgage companies that when they were assessing a penalty of three months' interest for prepayment of mortgages they were already asking too much? Now that they are asking even more and increasing the penalty, they would be told that what they are doing is usury and that it is time they stopped it and gave a chance to the ordinary people of Canada who cannot make the kinds of profits which the banks have made, and who have to pay much higher income taxes than the banks pay.

Hon. Paul J. Cosgrove (Minister of State (Finance)): Madam Speaker, I have great difficulty with the premise of the Hon. Member's question, and that is the assertion of the untoward profits of the banks. The Hon. Member probably does not know because the Members of his party who started out with the Special Committee on Finance which studied that subject abandoned the other Members of this House of Commons on that Committee. The result of that study dated July 27, 1982, did not at all support the assertion of the Hon. Member that the profits of the banks had been untoward.