

per year toward the purchase of first homes. That is not a fortune. That is not half a million dollars. However, the Government chose to stamp out the only Government initiative which was permitting young people to get into the housing market-place.

In most major cities, the dream of home ownership which our parents and many of the older Members of the House were able to achieve is being impeded by the Government's decision to cancel, annul, finish, annihilate and destroy the RHOSP Program. The amendment with which we are now dealing calls upon the Government to reintroduce a program that over its 11-year history was able to help two and a half million Canadians.

The Government has said that the program was not helping young Canadians. In fact, the figures will show otherwise. The figures show that in 1983, of the 539,719 Canadians who participated in the Registered Home Ownership Savings Plan, 431,610 were Canadians between the ages of 20 and 34 years. That is not the age of the average Member of the House but the age of the average young person who wants to get a leg up into the housing market.

In Toronto, Halifax, Vancouver and other major urban centres, most renters are paying more and more for accommodation at a time when vacancy rates are shrinking. The natural alternative of home ownership is being impeded by this particular initiative. The cancellation of the RHOSP coupled with the decision to increase the taxes on building materials indicates that the Government has, in the only 15 or 16 months since that fatal blow to the Canadian taxpayers which occurred on September 4, 1984, directly increased the cost of home ownership by anywhere between \$500 and \$1,500 depending upon estimates. That \$500 to \$1,500 is reflected in the increased cost of building materials alone. I can see Members opposite straining to hear my comments on interest rates. It is true that interest rates have been attractive enough in the recent past to allow young people to obtain that investment out on the open market. We have also seen that the interest rate situation is not a result of this Government's policies. In fact, the hapless Minister of Finance wrung his hands in the House today and shook his head while telling us to talk to the Governor of the Bank of Canada. He told us that he could do nothing about the declining Canadian dollar or rising interest rates. We can be sure that the Minister of Finance will take the credit when interest rates decline. When interest rates begin to rise, as we have seen them do over the last couple of weeks, the Minister will wash his hands of the situation, just as he washed his hands of any responsibility which the Government has to encourage home ownership through programs such as the Registered Home Ownership Saving Plan.

● (1720)

Canadians will look at the two government initiatives before us which we are debating today. On the one hand they will see a \$500,000 capital gains write-off which will benefit the top 4 per cent of the Canadian population. The Government stands

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four-square behind that capital gains write-off. On the other hand, it nickels and dimes to death those young Canadians who wish to see a \$1,000 tax break in order for them to put the money together for a downpayment on their first family home. That is the Conservative philosophy. It is the philosophy of a Party which says to young people: "We do not care that you cannot save \$1,000 a year". It is not a great deal of money. It is not enough money to necessarily permit a couple to move into a higher bracket in terms of home ownership. It is not an amount of money which will make a vast difference to many of these couples. However, it may permit them to put together \$5,000 or \$10,000 or, in the case of a couple, \$15,000 or \$20,000, which will help them break into what is becoming an increasingly prohibitive housing market in Canada.

When our parents were young most of them could aspire to owning their own homes at some point in time. Many young people today have given up on that particular option. If they can pursue the option it is only because they are "two income families". That is the only way they are able to keep up with mortgage payments and the cost of home ownership which has escalated incredibly over the last number of years. In fact, the Government suggests that this money was not being used for the purchase of homes. Even if the Government were to introduce the demise of the RHOSP would one not think it would make sense to get the money out of those bank accounts and into the market-place? The latest figures indicate that approximately \$2.2 billion will be removed from RHOSP accounts and moved into other areas. Would it not have made sense for the Minister of Finance to suggest that this money be directed to either home ownership or toward the purchase of durable Canadian goods such as refrigerators and automobiles? That would provide a stimulus to the economy. Instead, we see our Government imposing a tax measure without providing any documents to buttress its argument that the money is not being spent to buy homes. The Government suggests that this money be taken and used to buy condominiums in Florida, diamonds in South Africa or racehorses in Europe, thus taking advantage of the same type of tax break that would otherwise have been in place.

It would have made sense for the Government to say that if it is eliminating this program then the money which is in those accounts should be freed up and used to invest in Canadian goods and services or Canadian durables such as furniture. However, the Government chose not to follow that course. In its short-sighted view it is sacrificing the hopes and dreams of young Canadians. It is sacrificing those dreams in order to bail out the banks and pay 4 per cent of the population which will benefit from the \$500,000 capital gains write-off. In this way it will keep the only promise that it is likely to be able to keep to anyone, that is, the promise to help its friends to line their pockets since this is a Government of the rich, by the rich and for the rich.

**Mr. Nelson A. Riis (Kamloops-Shuswap):** Mr. Speaker, it is a pleasure to have an opportunity to say a few words with respect to the amendment which is before us. I too share many of the concerns mentioned by the previous speaker. I find it