

*Oral Questions*

● (1420)

**Hon. Donald S. Macdonald (Minister of Finance):** I would be prepared to consider that suggestion. It seems to me that our rules do not provide for the kind of quasi budget statement the hon. gentleman has in mind, but commencing Friday there is to be a debate on the second reading of the income tax bill and I will be glad to take into consideration the possibility of expanding the remarks I would normally make on the presentation of this bill and give some current review of our perspective on the economy.

**Mr. Stanfield:** Might I ask the minister not only to give consideration to this suggestion but to give the House an assurance that he will make such a statement? I ask him this in all earnestness in view of the impression—and I do not mean to be impertinent—that either the government does not know what it should do in the present circumstances or feels that its present stance, the stance outlined in the budget, is the right one even in the face of deteriorating conditions. I ask for this assurance in face of the grave problems confronting us—the slow rate of growth, rising unemployment and so on—in this country at the present time.

**Mr. Macdonald (Rosedale):** I have made it clear that I do not anticipate bringing in any further taxation changes at the present time. Equally, I have left open the possibility of re-ordering the government's spending priorities within the fiscal framework so as to be of particular assistance to those in the community or in the work force who have been most disadvantaged by the slow rate of growth. As I mentioned to the hon. member for York-Simcoe, I would be reluctant at this point to make a definitive statement on the performance of the economy this year until I have received the figures for the performance in the third quarter.

**Mr. Stanfield:** Would the minister not agree that the answer he has just given will be interpreted as an indication of drift on the part of the government which, in turn, will cause uncertainty in the minds of everyone concerned with the economy?

**Mr. Macdonald (Rosedale):** Not at all, Mr. Speaker. It is an indication that our primary concern is still the fight against inflation and that we do not intend to take any action which would make it more difficult to achieve the inflation targets we have set and which we believe it would be in the interests of the country to pursue. At the same time, as I have said, we are prepared to place more emphasis on the needs of those sectors of the community which are particularly disadvantaged by unemployment; we are giving close attention to doing just that.

[Mr. Stanfield.]

[Translation]

**HOUSING****REQUEST FOR REDUCTION OF INTEREST RATES TO FACILITATE PURCHASE OF SINGLE FAMILY DWELLINGS**

**Mr. Léonel Beaudoin (Richmond):** Mr. Speaker, I should like to put a question to the Minister of State for Urban Affairs.

I believe he has left the House for a few minutes. Since we are currently receiving letters from builders of single family dwellings advising us that these are hard to sell at the present time because interests rates are very high, which means that monthly payments are much too steep, would the minister advise us whether the Central Mortgage and Housing Corporation, through him, or else the government, intends to improve the situation so that whoever is able to buy a single family dwelling can do so without having to pay out \$350 or \$400 a month?

**Hon. André Ouellet (Minister of State for Urban Affairs):** Yes, Mr. Speaker.

**Mr. Beaudoin:** Mr. Speaker, on a supplementary.

Can the minister tell us whether he will suggest to the government next year that the owners of single family dwellings be allowed to deduct from their federal income tax part of their mortgage interests?

**Mr. Ouellet:** Any statement on this subject, Mr. Speaker, will be made in due course to the House.

[English]

**FAILURE OF MANITOBA HOUSING CORPORATION TO REVEAL LAND VALUES—REQUEST FOR PUBLIC INQUIRY**

**Mr. Dean Whiteway (Selkirk):** Mr. Speaker, my question is directed to the Minister of State for Urban Affairs and has to do with serious charges which are contained in articles appearing in the *Winnipeg Free Press*. Manitoba Housing Corporation has been receiving millions of dollars in funding from Central Mortgage and Housing Corporation, at the same time not revealing the true price paid for land. In view of the fact that CMHC would be expected to have a thorough knowledge of land values in Winnipeg, thereby raising serious implications of impropriety, I would ask the minister whether he would now begin a public inquiry on that matter.

**Hon. André Ouellet (Minister of State for Urban Affairs):** Mr. Speaker, I am quite familiar with this case. Officials of CMHC have already asked the Manitoba Housing and Renewal Corporation to give an explanation of these questions. I want to say to the hon. member that in seven out of 22 projects approved by the city of Winnipeg this year, the amount of loans approved by CMHC has been 5 to 10 per cent lower than the amount requested by the province.

**Mr. Whiteway:** Mr. Speaker, I believe the minister misunderstands the thrust of my question. In view of the inflationary impact that these transactions have on the price of serviced