

Housing Prices

is the tax system, the second is actual expenditure of federal funds and the third is new legislation dealing with building codes. It is possible for the government to give a great deal of relief to homeowners and would-be homeowners through the tax system. Parliament might, for example, grant homeowners a tax credit on their personal income taxes equal to their property taxes, or a portion thereof if the government wants to be miserly about it. Also worthy of consideration is the idea of granting homeowners a tax credit equal to the sum of their mortgage interest or, again, a portion of it. Home improvements might also be considered as being an alternative tax deductible expense.

New tax sharing agreements might also be considered. Under our constitution, the federal government has almost unlimited taxing powers and they certainly know how to use them. The federal-provincial tax sharing agreements are signs that the federal power has responded to the obvious need for sharing its funds. Perhaps it is time this sharing was extended to include municipalities across Canada. At the present time municipalities are the poor boys of the three levels of government. The taxes available to them are highly inelastic and completely inadequate for their needs. I would suggest to this House it is time for us to seriously consider the possibility of direct federal-municipal tax sharing agreements with the consent of the provinces. I admit there are numerous constitutional difficulties, but if the problem is approached with common sense and good will I am sure these difficulties could be resolved.

Mr. Bell: Where are they going to get the common sense?

Mr. Ryan: The minister seems to think he would be able to persuade Mr. Bourassa to keep the conference in November at the three-level rather than the two-level which Mr. Bourassa apparently prefers at this time. Perhaps there is some hope. The second avenue of federal expenditure involves the actual expenditure of federal funds. A great deal of research needs to be done in the area of building techniques in this country. I believe the federal government should provide more funds for research and facilities in this field. It is just not good enough to have a National Builders' Association subsidized to build a few experimental homes in places it selects. What is required is a new federal program designed to experiment with many new innovative building techniques for homes and apartments, better control over prime and subcontractors, with better inspection and soil testing.

The third avenue I mentioned is that of new legislation dealing with building codes. An obvious need exists for a new, modern national building code which while taking into account climatic and other differences among the various regions of Canada will standardize building codes across the country. It is only in this way that the Canadian housing industry will be able to take the fullest and most complete advantage of modern industrial techniques of manufacture and assembly.

As well as the three major avenues of development which I have mentioned there are numerous other matters the government should be examining. Recently the government introduced Bill C-209, the residential mortgage

[Mr. Ryan.]

financing bill, which it feels will work some type of miracle cure for the maladies presently being suffered by our housing industry. I do not think it will achieve this. However, I do not intend to fully criticize the bill at this time because I will probably speak in the debate when the legislation is before the House.

I believe that before the government involves itself in the setting up of new financial institutions, it should fully investigate, evaluate and assist in the rehabilitation of existing housing, the maintenance of existing housing, neighbourhood improvement and setting up of serviced and unserviced land banks.

Mr. Basford: You are stealing my speech.

Mr. Ryan: We hope this will all come to pass, but after four years we are a little skeptical and have to take some of these things with a grain of salt. We will know after the amendments have been introduced by the minister whether they will cover the whole picture or whether they will be just a fractional solution.

• (1630)

The combination of down payment, monthly mortgage payment, upkeep and service payments and tax payments has greatly increased over the past decade and this has sufficed to place the cost of new housing far beyond the reach of many. Why, then, is there little rehabilitation of our existing stock of housing? There are numerous reasons for this. I hope the rehabilitation provisions will be used to a far greater extent and prove of more utility than the existing situation under the National Housing Act.

Frequently, older homeowners take the view that their homes will, with a minimum of upkeep, satisfy them for the remainder of their days. Home improvement is not attractive to them. Improved property attracts increased property taxes, as an added price for keeping up the fabric and appearance of a dwelling. It is in this area that the federal government could do much by allowing tax credits on net personal income for either the cost of home improvements or the net increase in property taxes resulting from home improvements.

As well, the government should extend National Housing Act provisions to make federal grants and loans available for rehabilitation of existing dwellings. Financial assistance should be on an individual basis according to the income of the family or landlord and the condition of the house to be rehabilitated. The government should also be taking concrete steps with regard to neighbourhood improvement. For almost four years now the government has been dilly-dallying with programs which would best aid municipalities to improve the environment. I hope it has now solved the problem. The previous urban renewal program was prematurely curtailed. At that time it was indicated that a new form of urban assistance directed mainly at the improvement of housing and living conditions would be brought in shortly. As yet we have seen nothing. Once again the efficiency and sincerity of this government is questioned.

Not only does the government desperately need to introduce programs aimed at housing and living conditions, but it must also introduce a program of priorities to tackle such problems as improper land use, inadequate