

*Mortgage Tax Credit*

Hon. members opposite have said much about the high-interest rate. For the first time since 1970 the cost of building materials has levelled off. For the first time there is a realistic price on building materials. It is because that former government did not do its part in stimulating the industry properly that it has taken so long. When I was the mayor of the town of Niagara-on-the-Lake, we had a subdivision, which was very rare for that town. I am very thankful that they are very rare to the town of Niagara-on-the-Lake because that is the last land which should be used for a subdivision, but it was an area which could not be used for farming. The gentleman who started the subdivision began on the basis that he would get "X" number of dollars for his subdivision. The lots were so lucrative that he sold 40 to the builders. The builders saw the extra money, and they did not sell those lots until 50 per cent was put up toward the lots. This man expected to sell those lots for \$8,000, but when he saw the inflation caused by the unrealistic incentives given to the building industry, the lots went from \$8,000 to \$22,000, and this because of the former government. The building industry is still suffering from that situation. I am thankful today that we have a program which will almost completely relieve the industry of the programs introduced by the former government. For three years the home building industry has suffered.

Who can afford to build a home? For those people who have money in their pockets, it is an ideal time to build. But for the average Canadian or the young person just starting out, the situation created by the former government does not allow them to build a home. This plan will change all that. It will give these people an opportunity. I have five children who are at present looking to build a home. They say that the interest rate is too high. I could not agree more, but it is not high because of the government. It is high because of the financial situation left to us by the former government.

If I were a Liberal I would be the last person to run for re-election if after 11 years I had created the current interest situation which this country faces. I would not sit on that side of the House or anywhere in this House if I were responsible for creating the chaos that has been created in this country and the indebtedness which they have left to our young people. We are not only asking our young people to pay high interest rates; we are asking them to pay the debt created by the last government. How will they ever get out of this situation? My part is committed to reducing this debt, but we do not want to forget about the person who wants a home, or forget that the most important thing to most people is owning a home.

[*Translation*]

**Mr. Marcel Roy (Laval):** Mr. Speaker, first I would like to congratulate the hon. member who just resumed his seat, not necessarily for the content of his message but because it was, as he told me, his maiden speech. So I congratulate him on that, but if he continues to use the tone of voice he used today—

**Miss Bégin:** He will have a sore throat.

[*Mr. Froese.*]

**Mr. Roy (Laval):** He will last as long as his party will stay in power.

**An hon. Member:** Not for long.

**Mr. Roy (Laval):** Mr. Speaker, November 21 is a somewhat special date, particularly for Liberals, but also for all Canadians. We saw today the House pay tribute to a great Canadian who worked to develop Canada's human potential and resources, wherever they are, to redistribute them among individuals, families, provinces and regions within the provinces. To that great Canadian, Mr. Speaker, with whom I have been proud to work, I would like to pay a tribute of gratitude, the tribute of all the people in Laval. And I am sure, Mr. Speaker, that the content of the legislation we have before us today does not reflect at all the Liberal philosophy I just mentioned and which was advocated in all areas of this country during the last election.

Mr. Speaker, about Bill C-20, an act to amend the Income Tax Act to provide a tax credit in respect of mortgage interests and home owner property tax, it seems to me we should not be asked as members of this House whether we are for or against the bill. It seems to me we should rather look carefully at this legislation and determine what need there is for it. Is this an appropriate time? Will this money be distributed in an equitable way? Will it be distributed to people who need it, or is it simply a matter of keeping another election promise that does not reflect, I think, the needs within the priorities or the imperatives that will have to be those of the government in the present economic context? I think we have to reflect together on those issues rather than ask whether we approve of the bill or whether we are against it.

● (1630)

We are all in politics. Handing out money is always popular, and this may sometimes be the way to fast popularity. If in the present state of our economy we could afford to hand out that money, I believe nobody would like to vote against such a piece of legislation. But in this party, with that conscience I referred to earlier when paying tribute to Mr. Pierre Trudeau, we are responsible enough to think in terms of managing public funds. Managing means studying the facts, the needs and then giving people or families what they need. Managing is making choices. To us Liberals, this has always been the basic principle of our philosophy.

I would like to deal now with the question of whether the needs are really there. There has been extensive discussion of the housing problem in Canada these last few years. In my view, that debate did reach its climax in 1969, when the Task Force on Housing and Urban Development published its report in which it suggested that although there was no urban crisis, there certainly was an urban problem because in the minds of most Canadians the housing problems was, according to the commission report published in 1960: "The housing problem is in itself the urban problem." It may be remembered that it was after that report that we had a seminar in Vancouver.