

do not see how you can make any distinction in law or in legislation between the small speculator and the big speculator. If you take a look at the land question you will find that everyone who owns property, no matter how much or how little, is in fact a speculator and gains by any increase in the value of land. There is no one happier in a city like Toronto than those people who own little houses and find the price of land is rising and they benefit enormously overnight. They are not active speculators, but in fact they get the same benefits any other speculator gets.

If you want to go back far enough to find out who the real speculator is, and I am not suggesting that he is unjustified, you will find it is the farmer. He is the man who puts the big price on his land. Mind you, the land passes through a number of hands and the price is exaggerated as it moves on from speculator to speculator. This proposal has another merit in that it will kill some of that speculation, but if it is going to hurt anyone it will hurt the primary speculator. It is not going to be as attractive for one speculator to buy from another speculator and sell to a third speculator, because at every stage there are costs of interest, taxes and such things.

The primary speculator is the farmer who continues to farm the land, or the hobby farmer who buys it from the real farmer and holds the land until the price is right. These people are able to write off all the costs of holding that land. I do not know of any government that is willing to move as far as to cut off this feature, but those are the facts.

**Mr. Turner (Ottawa-Carleton):** Is that in your leadership program, Max?

**Mr. Saltsman:** No, I do not think even I would be prepared to go that far. I am daring up to a point, but I am not prepared to ignore every bit of wisdom in this society. I might say that I can get into enough trouble on this question without any advice from the other side.

**Mr. Munro (Esquimalt-Saanich):** You are doing pretty well.

**Mr. Saltsman:** I am doing well. It seems to me that when we are debating something as important as this we should have some straightforward arguments without a lot of bleeding all over the place for the small speculator, as if there were something particularly noble about what he is doing as opposed to what the large corporations are doing. They are both engaged in the same nasty business of getting everything they can for themselves by holding land for as long as possible, and writing off all the costs against the land in order to make a big gain. I think we have to stop that, to whatever extent possible.

There are those who suggest that perhaps the guilty people in this whole business of land speculation and rising house prices are the municipalities. They may be correct. Perhaps the municipalities are the guilty ones in that they encourage these groups to develop lands in their areas, even though these groups take the attitude that the land is theirs and no one must trespass. In any event that is what we are dealing with, and in this legislation the very least we can do is make sure that the government gets some revenue with which, hopefully, it will be able to

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carry out some progressive measures in the form of public subsidized housing for those at the lower income level.

**Mr. Baker (Grenville-Carleton):** Mr. Chairman, I understood that the minister was prepared to stand this clause.

**Mr. Turner (Ottawa-Carleton):** We have the resources portion in there too and we cannot split them.

**Mr. Baker (Grenville-Carleton):** I do not think there would be any difficulty in that regard from our point of view. I see they are having a little discussion over in the NDP.

I stood up to say one or two things about this particular portion of the bill. Just a few minutes ago the hon. member for Waterloo-Cambridge said he did not believe this particular change would do anything toward lowering the price of homes. I suppose he is right, it is not going to lower the price of homes. In fact I suggest it will increase the price of homes. I wonder where these people get the idea that the cost of servicing a property, the cost of building a home, the cost of owning it and the cost of owning the land before it is developed—or after—the cost of holding the land in inventory, and the cost of municipal taxes and all these other things before the house goes on the market, are to be paid by someone other than the eventual owner?

Just like the cost of the linen that hangs in this chamber these costs are going to come out of the pockets of the taxpayer who eventually buys the house. The difficulty, of course, is that the more you load on to the cost of a single family home, the more you load on to the cost of a condominium or an apartment, the higher is the price to the eventual purchaser. All these carrying charges and other costs related to the property, whether a single family home or a condominium, will be paid by the purchaser. All these costs, including maintenance and whatever else required, will be added into the cost to some poor man or woman who wants to buy a home.

The whole object of this, from our point of view, is to get the minister to reconsider this. We are not a bunch of national bleeders like the NDP. We are putting a reasonable proposition to the minister which we think will decrease the rate of escalation in the price of real estate, with the hope that somehow it will level out, Mr. Chairman. We are not suggesting this will lower the price or will end the general increase.

The federal government's program to finance sewage treatment plants and their extension, and storm drainage systems, is aimed at lowering the cost of homes and housing. The proposal we put forward represents one thing we can do here to slow down the rate of increase.

Some hon. members have suggested that this measure will result in the movement of land. Some people believe this will force the movement of land from one person to another, and thus to the ultimate owner. Of course it does not encourage that. What it really does is encourage the movement of land from one speculator to another speculator as the cost of carrying that land increases, and as the impediments get greater. We all admit there are impediments to development. What we should be concerned with is the fact that this land is merely moved from one speculator to another, and there are no two ways about