

Tax Rebate

this is what all the people want. Even the liberal supporters ask for it.

Last fall, every newspaper in this country reported that the liberal supporters at their meeting in the federal capital passed a resolution to exempt from base interest paid and even mortgage interests.

The Société Saint-Jean-Baptiste from la Chaudière, at their annual meeting last fall at ville Saint-Georges-de-Beauce, chaired by Mr. André Breton, a liberal organizer, passed a resolution to that effect. The members of the School Trustees Association from all Canadian provinces at their meeting in Quebec in May, 1973 asked for the same thing. The resolution reads as follows:

"That the Canadian School Trustees Association send a petition to the Minister of Finance of the Canadian government and Ministers of Finance of every Canadian province asking them to adopt financial measures allowing owners and tenants of family dwellings to deducts their school taxes from their taxable income"

This resolution was sent to the Minister of Finance (Mr. Turner) and the provincial ministers of finance.

These school trustees coming from all over Canada and representing urban as well as rural communities, stated they were speaking on behalf of a majority of men and women who assume responsibilities in respect of Canadian taxpayers.

Mr. Speaker, the House also has responsibilities to assume in respect of Canadian taxpayers, and this is why the hon. members of the Social Credit Party of Canada are happy to join with the school trustees in an attempt to ask for a little justice for all Canadians who have made efforts and have showed a sense of responsibility.

[English]

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I rise to support this private member's notice of motion to grant an income tax rebate on mortgage interest paid on the family home. This measure is long overdue and it is one that I and other members of the Progressive Conservative Party have advocated for some time. This party supports the principle that a proportion of municipal property taxes and interest on mortgages should be deductible from the federal taxable income of home owners, and that a comparable tax benefit should be extended to tenants.

The Canadian family's dream of owning a single family dwelling is fast fading. Housing costs are soaring daily and mortgage interest rates are at the 10 per cent level. Whether the housing crisis is one of shortage or price is of little consequence to the average Canadian taxpayer who, at best, must be making about \$17,000 annually simply to obtain a mortgage before he is able even to consider purchasing a home. Otherwise he is forced to live in an apartment or row housing.

Approximately 70 per cent of Canadians want to own a single family home on a decent sized lot. Today, in Toronto and other Canadian cities, only 5 per cent of the population can afford to buy a home and many of these must pay up to half of their income in mortgage payments. When one hears of such a situation it is very easy to understand why the bill of the hon. member for Portneuf (Mr. Godin) must be accepted by the government and

[Mr. Godin.]

immediate tax concessions granted under the terms of the bill for home buyers and home owners.

Here are a few reasons why this bill should be passed. Every Canadian should, as a right, be able to obtain and live in suitable, reasonable-cost housing with the amenities of landscape. However, within the natural constraints of geography and necessary economic and social limitations, the aim of government policy should be to generate sufficient housing stock of various forms so that all Canadians may exercise their freedom of choice as to the style and tenure of housing in which they live.

The CMHC annual report for 1973 states that the thrust of housing in Canada under their administration and that of the Department of Urban Affairs is directed mainly at low or modest income groups. Undoubtedly, throughout 1973 more and more assistance was given to these groups, but there was no government action designed to alleviate the plight of the average Canadian who cannot afford to buy a home. The government has done nothing to ease the current situation of persistently increasing housing prices or excessively high interest rates, except to announce that more research will be undertaken and that it will be approximately five years before the study is completed and another five years before Canadians can expect relief.

This resolution would alleviate the plight not only of new home buyers but present home owners who are being taxed to death by all levels of government. The \$100 million that the government is spending on its urban demonstration program would have been more wisely spent on assisting, taxwise, new home buyers and new home owners. I cannot express too strongly, Mr. Speaker, the necessity for this resolution to be accepted. The mechanics of it can be debated in committee. Many other countries have such a tax rebate system, and it is long overdue in Canada.

● (1620)

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, I oppose the principle that we should pay a bonus to people who own homes. Such action would create class divisions in our society. We would divide people into those who rent homes and those who own homes. As it is, our present laws confer enormous benefits on home owners because home ownership is a non-taxable benefit. I will mention figures later to demonstrate how our present tax system distorts the entire housing market by giving a bonus to home owners. Any attempt to reward home ownership more can only backfire and make the housing situation worse than it is.

The idea in the hon. member's motion may look good. Home ownership is like motherhood. Historically, municipal and provincial laws in Canada have tended to favour property owners. Unless you owned property, you could not vote and you were considered a second-class citizen in this country. As far back as 100 years we tended to classify people on the basis of whether they were or were not property owners. Property qualifications were necessary if one wanted to vote. At one time one had to own property if one wanted to be a member of parliament.

Mr. Knowles (Winnipeg North Centre): That still holds true for the Senate.