

*National Housing Act*

the Government can no longer evade the issue, and I regret that we had to wait so long for this piece of legislation.

Mr. Speaker, I deplore this situation particularly because I think that, hardly six months ago, this Bill would have cushioned the impact of interest rates which are now climbing. The Minister did remind us that anyone who has renewed a mortgage since March 1 will be covered under this act. That is a good thing in itself, but the fact remains that anyone contemplating the possibility of buying a house in the next few months will be penalized to a certain extent because interest rates have been going up in the past two months and chances are this trend will continue. This Bill does offer some protection, but we are talking today in terms of 14 per cent, plus the 2 per cent operating margin set by the Government. So right now we are looking at minimum rates of 16 or 16.5 per cent, plus the contribution to the insurance program, since any such program obviously calls for premiums. But what the Government is doing is forcing Canadians to pay their insurance premiums without actually guaranteeing that interest rates will not be much higher than they are now, and that must be kept in mind if we are really intent on avoiding using the word "accessibility" as a mere catchword.

Still, Mr. Speaker, we on this side of the House will give serious consideration to the Minister's Bill because, as I said, we know it is important and timely to offer Canadians as much protection as we can. The Government could have done just that a year ago, but it did not. Did the Minister of Finance (Mr. Lalonde) or the Minister responsible then expect rising interest rates? I do not think so, but the truth of the matter is that this legislation is being introduced much too late and that Canadians will not get all the protection and assistance they need because the Government should have made its move a year ago. As I have already said, Mr. Speaker, four years ago, my party made a very interesting suggestion to help homeowners. Our proposal was rejected and nothing has been done ever since, except for the Bill introduced today. The Government is finally introducing a program to provide special assistance for homeowners; as a matter of principle, the Bill cannot be condemned because it provides special assistance to a certain group of people. Once again, Mr. Speaker, what worries me is that this assistance will not be enough to bring about a recovery in the building industry and to provide not just access to homeownership, but also the security which is essential for homeowners and stability in what we call the building or housing sector, which is vitally important to the Canadian economy.

Mr. Speaker, the Minister said earlier that, if the economy is managed carefully, interesting results will be obtained. The Minister himself is confirming that, if the Government had managed the economy carefully these last few years, it would now have more to offer homeowners. Because this same Government is to blame for not having managed the economy carefully, the Minister now has to introduce a Bill which will not have the results we would have wished or would have had,

had the economy been carefully managed by the Government or, at the very least, had the same legislation been introduced 12 months ago. Access to home ownership would have been actually provided to Canadians at the same time as the security which Canadians need and the stability of the vitally important building industry.

● (1140)

The Minister said that this Bill also provides for the issue of mortgage-backed securities, for which subscriptions would increase the supply of long-term mortgage capital. Financial institutions with a mortgage fund could use this system to guarantee the subscribed securities. Of course, all opportunities must be explored to find money to finance those who need mortgages to buy a house.

The Minister also referred to the provisions of the Bill which deal with the Rural and Native Housing Program. Naturally, I have some reservations as concerns the provision which seems to exclude any financial participation of the Provinces, except wherever there is an agreement. The Minister has obviously deemed it appropriate simply to exclude the Provinces and let the Federal Government alone decide to help certain people. As for the principle involved—principles are always well and good, Mr. Speaker. In principle, the Minister is saying that all Canadians, wherever they live, are entitled to Federal Government assistance and subsidies. There is no doubt about that and we do not question this entitlement. However, we believe that, in a federal system, the National Housing Act should reflect the position and the needs of the Provinces and that the latter should have some input in what the Act provides. Of course, the Minister may be right in saying that certain Provinces are more or less interested in the type of grant that the Government is willing to provide. However, I take this opportunity to say that I would still like, and that my party will probably need, to know the real reasons why the Provinces have refused to participate. Perhaps they do not intend to participate financially and have no objection to the Federal Government implementing this legislation. We would still like to know the reaction of the Provinces. Are the non-participating Provinces not objecting to the Federal Government using this legislation to subsidize non-profit organizations directly or to provide them with assistance for home renovations? If the Provinces do not object, fine! However, I believe that it is important for the Provinces to tell us their views on the matter. Otherwise, Mr. Speaker, we would be most eager on this side of the House to see the Provinces participate in the national major decision-making process in view of the relevancy of this very significant piece of legislation. We should ask the Provinces for their view on what they need, and to what extent they are willing, in co-operation with the Federal Government, to help rural centres and categories of people which, according to the Minister, are faced with housing and housing quality problems. This is quite commendable. The Minister has