

Adjournment Debate

sion of this waiver package to Congress. In that letter the President wrote:

In view of the importance which you attach to this question, I wanted to advise you in advance of our public announcement that I have decided to submit for Congressional approval the full package of waivers requested by the sponsors of the Alaska natural gas transmission system. My recommendation to the House and Senate will be submitted later today. It is the view of the project sponsors that this package of waivers will facilitate the completion of the Alaska natural gas transmission system under private financing. As I made clear during our previous discussions of this matter, my administration supports the completion of this project through private financing, and it is our hope that this action will clear the way to moving ahead with it. I believe that this project is important not only in terms of its contribution to the energy security of North America, but it is also a symbol of U.S.-Canadian ability to work together co-operatively in the energy area for the benefit of both countries.

The President has also reiterated these points in his message to Congress putting forward the waiver package.

The waiver package is now being studied by the Senate energy and natural resources committee where it is supported by the Republican and Democratic leaders. It is also before the House energy and commerce committee. Both committees are expected to deal with the bill expeditiously, after which Congress has up to 30 days to make a finding.

The importance of the project is indicated by the fact that Prudhoe Bay contains about 10 per cent of U.S. reserves of natural gas. The pipeline offers the most economic means of access to this large resource.

HOUSING—REGISTERED HOME OWNERSHIP PROGRAM (B) REQUEST THAT MAXIMUM PERMISSIBLE LEVEL OF SAVINGS BE RAISED

Mr. Gordon Taylor (Bow River): Last Friday I asked the hon. Minister of Public Works (Mr. Cosgrove), the minister responsible for housing, two questions on the Registered Home Ownership Savings Plan. I was not happy or satisfied with the answers I received.

● (2210)

The Registered Home Ownership Savings Plan, known better as RHOSP, is an excellent program. In the first place, there is a limitation on who can use it. Those who do not own a home or who have never owned a home may place money in this plan. It is a savings plan for the first home. If the money is left in the plan for ten years and used as a down payment on a house, or used for the purpose of buying furniture for the first time for a house, there is no tax to be paid. That is the incentive that is provided. If it is taken out within a ten-year period and used for other things, then it is taxable just as it would have been, although perhaps at a higher rate than when it was placed in the RHOSP.

My first question to the Minister of Public Works on Friday, October 23 was: "Has he made any representations to the Minister of Finance to increase the maximum ceiling in this plan?"

The minister did not answer this question and so I have to assume that he made no such representations or recommendations to the said minister.

Rather than answering the question, the minister appeared to argue that the present plan, which provides a maximum of \$10,000, is sufficient for a down payment on a home. He mentioned the price of homes now for sale in London, Ontario, as being \$30,000 or \$40,000.

My question was on behalf of young people in particular who live in all parts of Canada, including cities like Vancouver, Toronto, Calgary, Ottawa, Halifax, etc. Certainly in these cities \$10,000 would not be enough for a down payment on a modern home.

My supplementary question to the Minister of Public Works was: "Will he urge the Minister of Finance at least to double the present maximums?" That is, an over-all maximum in ten years of \$10,000 to \$20,000 and an over-all maximum per year from \$1,000 to \$2,000.

Again, the minister avoided the question, stating that he could not go into specifics. He then went off on an angle about difficulties in answering questions and mentioned that we have to attempt "to provide equity, not only in the housing sector, but also equity as between people facing problems with housing and those who are facing difficulties with employment." While these difficulties may be real, they have nothing to do with this particular plan or this particular problem. Such an answer to this question is not only ridiculous; it does not even start to answer the question that was asked.

The RHOSP was created for the purpose of providing an opportunity for young people to build up a fund for their first home; it provides for a maximum limit of \$10,000, with a maximum contribution per year of \$1,000. It is not a big thing, so doubling it would not be a big thing either, but it would at least give the down payment for a home in ten years.

The maximum of \$10,000 may have been satisfactory when the program was initiated, but it is certainly not satisfactory now. I doubt if it is even satisfactory in London. This is another example of how the government is living in the past and refusing to face reality.

Even by doubling the maximum to \$2,000 a year, with a \$20,000 limit, this would still be low enough—but it would provide a down payment. All young people would not be able to put in \$2,000, but if they could, it is a good savings plan and it would help fight inflation. Apparently the minister responsible for housing has not even discussed this problem with the Minister of Finance (Mr. MacEachen). This will deny a lot of young people the opportunity to eventually own a home.

The RHOSP is also an effective weapon with which to fight inflation as once a contribution is put into the fund, it is locked there for the purpose of buying a home at the end of the ten-year period. If it is taken out at any time prior to the purchase of a new home, it becomes taxable. As I said before, it is limited to those who have never owned a home.

If the object of the government is to help young people to own homes of their own, then it should at least double these