

*Mortgage Tax Credit*

From a strictly social and human point of view, it is important that every family should look forward to owning its own home. Unfortunately, this objective is becoming increasingly elusive because of worsening economic conditions. It is therefore important that the government help young couples to buy a home, and it will not do so with this bill. That is why we feel the government should seriously consider amending the present home ownership savings plan. Such changes could result in raising the present ceiling according to a given income scale in order to favour lower income families.

A national housing policy which does not give people the means of buying a home makes no sense and is ineffective. We of the Social Credit party of Canada have always said that the present system does not promote human dignity nor afford families the opportunity of having their own home. Present high interest rates prevent many low-income families from pursuing their dream. Those who, at the cost of great financial sacrifice, do get into debt to achieve their legitimate goal of owning their own home have no idea of the tremendous profits financial institutions are making at their expense.

Last year, chartered banks saw their profits go up by 58 per cent in some cases. At that time, I asked the then Minister of Finance to look into the matter. Shortly after, he told us that the superintendent of banks, after considering the matter, had found nothing unusual. Today, the new Minister of Finance (Mr. Crosbie) is telling us that the rise in interest rates will have positive effects in the long term. Therefore, Mr. Speaker, am I to infer that succeeding governments in Ottawa are powerless or rather that they are resigned to a situation which undermines the initiative of the average Canadian and of low-income families which have the legitimate right at some point in their lives to own their own home?

I find it sad that the bill will favour those who need it the least. I should like to hear government spokesmen comment upon possible amendments to the home ownership savings plan or make new proposals for low-income families that wish to buy a house, that are prepared to sacrifice something else for it but need only a little help from the government which once had the monopoly of election promises.

Finally, Mr. Speaker, I want to repeat that we are not against the fact that 3.8 million Canadian taxpayers will benefit from this program, but we are particularly concerned about the fact that, for all practical purposes, almost one million Canadians will be excluded from the housing market because unprecedented interest rates push the purchase of a house beyond their means. To take advantage of the Progressive Conservative program, one must already own a home, hold a mortgage and pay taxes. Therefore, there is no social justification for this bill, since the 200,000 people who own a home, perhaps have a mortgage, and do not earn enough to get the tax credits, will be left out of the provisions of this bill.

● (1650)

Mr. Speaker, I would like to recall that it is the duty of a government to protect minorities and the poor. In my opinion any government failing to do that is remiss in its responsibilities. Bill C-20 is entirely defensible in its substance but particularly incomplete and unfair in its form.

**Hon. André Ouellet (Papineau):** Mr. Speaker, it gives me great pleasure to take part in this debate at this time and to say to the Minister of Finance (Mr. Crosbie), who introduced Bill C-20, that I am not at all happy with his proposal, that I cannot agree with the ways he wants to use to promote home ownership in Canada. It is a good principle, of course, a noble principle, a noble purpose to want to encourage Canadians to become home owners, and I think governments—federal as well as provincial and municipal—should adopt measures to facilitate access to ownership and encourage Canadians who want to become home owners. But the means being sought by the new Progressive Conservative government to reach that goal are wrong. Obviously Bill C-20 offers a mortgage interest and property tax credit and is going to relieve and help some Canadian owners. That mortgage interest tax credit, of course, is going to help those who already own their homes and already have a mortgage on them. Unfortunately, the non-owner will not get any direct benefit, and the pious wish of the Minister of Finance that this measure will urge Canadians to rush over to the real estate agent to buy a home is entirely without foundation.

I do not see how any individual, on the basis of this bill which is going to allow him to deduct a few dollars from his taxes this year, could decide to buy a home today. We know that since the Progressive Conservative party took over, interest rates in Canada have shot up at an unbelievable and unacceptable rate. And the same Minister of Finance pushes Bill C-20 and tries to make hon. members and all Canadians believe that his measure, which does nothing more than extend a tax credit to a few Canadians who already own a home, is going to put the residential construction industry back on its feet. That does not make sense, and the Minister of Finance knows it very well. His proposal is not going to inject new life into the construction industry. Nobody faced with 14 per cent, 15 per cent or 16 per cent interest rates now being sanctioned by this Minister of Finance is going to rush over to his real estate agent to buy a new property because, although he may get some \$300 from the Minister of Finance, he will have to pay twice or three times as much in outrageously high interest rates approved by the Progressive Conservative government.

Therefore, Mr. Speaker, I want to say that the proposal of the Clark government is unacceptable. If, for the noble purpose of encouraging Canadians to become home owners, we use the means suggested by the Minister of Finance, I believe that we will be making a mistake because this measure is completely wrong and unacceptable and should be rejected by the House of Commons. The Minister of Finance even had the