

National Housing Act

amendment moved by the hon. member for Oshawa-Whitby on that basis. I am looking at it as a substantive motion of which notice has been given, and from the point that the hon. member is trying to attach another motion to the motion presently being studied by the House.

I feel that if we are to use Standing Order 75(5) to the best advantage of hon. members and to the best advantage of the order and practices of this House, the Chair cannot allow this kind of procedure to be followed. I do not know whether I have covered all the points made by hon. members, but in view of the point presented by the minister and by the hon. member for Winnipeg North Centre it would be impossible, after the vote had been taken, to postpone the amendment before the House.

On the point of there being a differential in the rates of interest, the amendment by the hon. member for Oshawa-Whitby does not call for that kind of differential. The practice we have been following gives an opportunity to hon. members sometimes to even debate a number of amendments in the form of a group proposed by an hon. member before votes are taken. I do not think there is any general limitation to the motion of which notice has been given by the hon. member for Oshawa-Whitby.

For all these reasons I think it is in the best interests of the House that the Chair rule the amendment which the hon. member is trying to attach to the motion before the House as substantive. I do not know if I have been clear, but for that reason the amendment cannot be accepted by the Chair.

Mr. Don Blenkarn (Peel South): Mr. Speaker, I would like to speak on amendments Nos. 3 and 4 as they relate to the statement by the hon. member for Oshawa-Whitby (Mr. Broadbent). I am sure my colleagues and the minister would like to be in the position of not imposing a surcharge on money that is borrowed by people to subsidize housing. I am sure the minister appreciates that, being in the government for the time being, we must be logical and responsible; we must realize there is a cost of administering mortgage money and that in the private market this cost averages about one half of 1 per cent. I have referred to trust companies and others which are prepared to manage money at the rate of three-eighths of 1 per cent. I am sure they are efficient organizations. I know of one that has managed money at five-eighths of 1 per cent.

Knowing the efficiency of government departments, I can assure this House it is unlikely the government could manage money lending by CMHC at less than one half of 1 per cent as set out in the motion by the hon. member for Calgary North (Mr. Woolliams). We have to look at this question realistically and responsibly. I am sure we would all like to avoid a surcharge on the cost of borrowed money to be lent in the fashion required by Bill C-133, but it is clear to me that a surcharge of one half of 1 per cent must be charged.

I am happy that the amendment proposed by the hon. member for Calgary North has limited that charge to one half of 1 per cent. In the past, the National Housing Act has been administered in such a fashion that the surcharge was what had been charged the borrowers, and bore no relation whatever to the cost of obtaining the money in the first place. For the first time in many years we will

[The Acting Speaker (Mr. Laniel).]

have a ceiling on interest rates. I am happy that the minister has to some extent agreed to this suggestion. The government is prepared to limit its administrative costs. That is responsible action and I commend the minister for accepting the amendment.

When some hon. members of this House realize they have no hope whatever of forming a government, they can be as irresponsible as they want. I suggest that is the attitude of the hon. member for Oshawa-Whitby. He says it does not matter what you charge because you can draw on the public purse. I suggest that people in subsidized housing want to feel they are paying their own way as far as possible. In this particular case we are limiting the cost of borrowed money to the actual cost. Some people have to live in public housing. Some people have to be subsidized. But what the hon. member for Oshawa-Whitby wants is to subsidize everybody. Of course, that is a program of his party—subsidize everybody.

An hon. Member: Socialism.

Mr. Blenkarn: We do not really know what that party means when it suggests we should subsidize everybody. This money has to come from someone's pocket and there has to be some sort of surcharge to cover the cost of borrowing the money. If we were to subsidize everyone, this cost would have to come from the pockets of those people who are hard pressed now to make their mortgage payments. They are at the profitable end of CMHC operations.

Surely if the taxpayer is to subsidize anybody, he should clearly subsidize those who need rent subsidy. The taxpayer should not subsidize the cost of managing the CMHC, but that is the kind of thing the hon. member for Oshawa-Whitby suggests. I commend the minister for taking this responsible action as I know that at times he has no concept of what housing is all about. I intend to speak on that situation a little later. At least the minister has now come to his senses and has suggested he will attempt to stop CMHC from throwing away the taxpayers' money and will limit its administrative costs to one half of 1 per cent. I commend the hon. member for Calgary North for putting the minister in that position.

I am sure we would all like to see housing costs reduced to a minimum, and we know that the cost of administration contributes to these costs. We would all like to have electric cars; we would all like to run our cars without gasoline. But somewhere along the line costs have to be paid. This is a responsible party and we say that somewhere along the line the cost of borrowed money has to be passed on to those who use that money. If subsidies must be paid to some people, then let us pay rent subsidies or social assistance to people who actually need it. We have had enough of this blanket subsidy policy to everyone regardless of need. These subsidies are borne by the taxpayers who are now oppressed by heavy mortgage payments.

● (2130)

Mr. John Gilbert (Broadview): Mr. Speaker, amendments Nos. 5, 9 and 11 proposed by the hon. member for Calgary North (Mr. Woolliams) have a laudable objective, that is, to reduce the interest rate in respect of some of the