

Oral Questions

pertains to the reality that there are 635,000 families renewing mortgages this year. I pointed out to the minister that the government's measures will only deal with 5 per cent of those. Canadians who have homes have the right to maintain those homes without unfair burdens put on them by the banks and mortgages people.

Since the minister has turned down the suggestion that the law should be changed to make the banks put up money at reasonable mortgages levels, will he at least duplicate what was announced in Saskatchewan yesterday, which is a major program that will ensure financial assistance on a monthly basis and bring down monthly payments very significantly for every family in that province whose income is \$35,000 or less? Why does the minister not make that a national program for Canadians?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, as the leader of the New Democratic Party began his questioning this morning by reference to the cost of living index and the rise attributable to the cost of housing, for the benefit of the members of the House I should indicate that the increase for the last month as compared to the previous month was in fact a downturn. The increase for last month was only .9 per cent, down from the increase in the previous month. It is apparent that there has been an improvement in the market and in the cost of housing to Canadians generally.

He also referred to legislation introduced in some of the provinces following upon the leadership of this government in the budget addressed to assisting Canadians with mortgage renewal problems. I draw the hon. member's attention to the fact that the legislation in the province of Manitoba, for example, followed the design of this government's legislation, which stated that Canadians faced with those problems should first direct a percentage of their own income toward solving their housing needs, and that is the 30 per cent rule. That legislation was followed by the province of Manitoba. It is a good step. We think that Canadians should first apply a given percentage of their own resources toward their shelter costs and, second, for those who cannot meet those needs the government should offer help.

REQUEST THAT FEDERAL GOVERNMENT MATCH PROVINCIAL PROGRAMS

Mr. Edward Broadbent (Oshawa): Madam Speaker, I hope the minister will be factual now. The figures I referred to were year-over-year increases which the minister knows are up 16.9 per cent for the cost of home ownership. That is the first point. Second, will he agree that the percentage of the budget allocated by a relatively poor province like Manitoba to dealing with the housing crisis makes this government look like the pettiest of pikers when it comes to dealing with it? Will he also agree that the program introduced by the government of Saskatchewan is aimed at providing assistance to the vast majority of Canadians in that province who ought to get housing assistance, whereas this government is only going to assist 5 per cent? Why does the Government of Canada not at

least match on a national basis what the New Democratic Party is doing in Saskatchewan and Manitoba?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, when the legislation and the budget provisions which brought in the Canada mortgage renewal plan and the Canada rental plan were made known, I took the opportunity of speaking with all of my counterparts in housing in all of the provinces during the two-week period following the release of the budget. I am very pleased that some provinces, including the province of Saskatchewan, have followed the lead of the federal government in, for example, putting up \$350 million toward solving the problems of Canadians with mortgage renewals, and a much needed stimulus to the rental supply. What is more pressing and obviously missing in the response of the leader of the NDP is the need for construction and jobs in this country. There are 70,000 jobs going wanting because of the lack of co-operation of the leader of the NDP and his party with regard to our legislation.

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FINANCE

CONCEPT OF TAXATION OF IMPUTED RENTAL INCOME

Mr. John Bosley (Don Valley West): Madam Speaker, I have a question for the Minister of Finance. My question is quite simple, and I hope the answer will be simple. Does the minister believe that it is reasonable to describe the rent which those who have saved to buy a home no longer have to pay, as imputed income? Will he now indicate that the concept of the idea itself is totally wrong, and that he has told his departmental staff to eliminate this item in future lists of income as yet untaxed by government?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member has asked me to eliminate that concept from the tax expenditure documents that are normally prepared. I will give consideration to that. I think that concept was first included, in the interests of knowledge, in the budget papers put forth by my predecessor in 1979, and they have been continued—that is the question of eliminating the concept from the papers. That can be considered.

What is more important is to clear up the very damaging, dangerous and unfounded allegations which have been made, that it is the intention, has been the intention, or has been considered or will be considered by the government to tax imputed income derived from home ownership. That is absolutely false. It has never been considered by me. I have absolutely no intention of considering it. I want the home owners who have been frightened by irresponsible propaganda which has been circulated by the Dominion Life Assurance Company to know that, and to disregard the blatant, unfounded propaganda put out by that company.

Some hon. Members: Hear, hear!