

Mortgage Tax Credit

like to put one fact on the record. I have been involved in two senior citizens' projects, one ten years ago and one about two years ago. To a certain extent I agree with what has been said, but I should like to clarify one thing. Perhaps this is not true in provinces like Manitoba, but in at least three provinces in Canada, including the province of Ontario, those people who have no assets and no income other than the old age pension are well looked after. They can receive rental units for as low as \$46 a month.

A lady came to me not long ago and said that if only her husband was alive they could move into this kind of accommodation. I have had people tell me they have never lived in accommodation as good as that being provided to senior citizens. These accommodations are subsidized, and I agree with government subsidization in that regard. I do not disagree with these programs that are in place, but I bring forward this fact to set the record straight.

We are not discriminating against these people by this program. The people who may suffer to some extent are those people who have worked hard and have saved a little for their old age. These are the people who have not been at the lower level of the income scale. I take my hat off to Canadians who have worked hard all their lives. Many of them have now sold their homes and have a little money. They are proud people and will not accept government housing. If they disposed of their life savings they could then obtain government relief, but their pride does not allow them to do this. Many of them will not accept anything from the government because they are so thankful to have been able to live in this country, most of them knowing what it is to live somewhere else.

Let me give an example. An elderly couple came to see me about a month ago. They originally came with a problem and they ended up showing me an uncashed cheque for \$179. It was a cheque for rental subsidy from the Ontario government. I asked them why they had not cashed it and these two old age pensioners both told me that they were so thankful to be in Canada they would not accept a single cent from the government. These are the kinds of people who sometimes can be hurt by our tax system.

While I was mayor of the town of Niagara-on-the-Lake I was approached time and time again by people who said that if only something could be done to alleviate the local tax burden they could continue to live in their homes. I heard this same comment many times during my election campaign. I am very thankful that this tax rebate program is something that will be of benefit to these senior citizens who are finding it hard to maintain and keep up their homes. This will alleviate some of their tax burden. I am very thankful for this program because of what it does for these people.

Let me approach this subject from another point of view, and I do so with a little bit of knowledge of the building industry. I used to be in the home building industry. Although I never had the opportunity to grow up on the farm, I love farming and I am farming at the present time. I have been in full-time farming since 1961, and prior to that I was in the

building business. I started as a labourer and finally formed my own company.

I became interested in politics when I was about 12 years old, having met the prime minister of Canada at that time in western Canada. I had the opportunity of shaking the hand of Mr. Mackenzie King.

An hon. Member: A great man.

Mr. Froese: I think I know more about Mackenzie King than most of those in the opposition today, as I followed everything he did. I guess that is the reason I never could become a Liberal. Mr. Mackenzie King did a great many things for the purpose of getting re-elected. We all know about the one thing he did for re-election that he became famous for, and that was bringing in the baby bonus. He used the Canadian public in many ways to get himself and his party re-elected, and he did so on many occasions by using the building industry. I have the facts before me and I will read them for hon. members opposite, if they like.

In a sense my success in the building business can be related to my knowledge of what Mackenzie King did while he was in government. Each year before an election changes were made either in the down payment required to buy a house, or in some other related area. As a result this would create a building boon during an election year. This did not happen once, it happened time and time again. Then within two years after the election the building industry was as flat as it could be. This is the way in which he used the Canadian public. If we look at the history of the building industry, we will find that as that industry went in this country, so went the Canadian economy. The building business has always been the icing on the cake in the Canadian economy.

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What happened to our building industry? Some of the things which happened were good for the industry. It hit a high, and then it went down, and it appeared as though prices within the industry were levelling off. That is where the chaos began. I heard a member on the other side say that our costs went up because of high profit. I know that that is exactly what they are saying. In the 1970s the Canadian government which was in power at that time kept pumping, pumping and pumping money into the industry, changing interest rates and changing down payments and increasing loans. As a result, there was no levelling off at any time. Who made the money? The profit from these homes to the builder who built the house and sold it went from as low as \$300 to as high as \$5,000 per home.

The money and the incentives, plus what was mentioned by my colleague yesterday and which I do not wish to repeat, was so evident in the building industry that it can be seen in the fact that because of the give away programs of the former government today we have homes which people could really not afford. This has destroyed the building industry. I am excited about this program and I believe it will bring our industry back to its feet.