

*Income Tax Act*

believed to be the perpetrators, but in any case, nothing has been done so far to punish this abominable crime.

Some time ago, another "crime" took place near where I live, in La Sarre, Abitibi. A father who was out of work snared, not a minister, but a hare in the woods, and he had to pay a \$25 fine, plus \$16 in court expenses. Now, in all fairness, I think that the man who killed a hare in his snare was more harshly punished than the man who strangled a minister. This leads one to wonder about the enactment of justice in Canada.

In the last few years the laws have been made much more lenient.

Mr. Speaker, I think I should point out that it is five o'clock, so that I may continue my remarks at eight o'clock.

[English]

### PROCEEDINGS ON ADJOURNMENT MOTION

#### SUBJECT MATTER OF QUESTIONS TO BE DEBATED

**Mr. Deputy Speaker:** It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised at the time of adjournment are as follows: the hon. member for Rocky Mountain (Mr. Clark)—National Parks—Banff and Jasper—Lack of accommodation for summer employees—request for statement on housing; the hon. member for Selkirk (Mr. Rowland)—Supply and Services—CF-5 Aircraft—Reason for additional purchases; the hon. member for Winnipeg South Centre (Mr. McKenzie)—Post Office—Request for tabling of Samson-Belair report.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions.

**Mr. Reid:** On a point of order, Mr. Speaker, I think there might be agreement to take item No. 16.

**Mr. Deputy Speaker:** Is there such agreement?

**Some hon. Members:** Agreed.

### PRIVATE MEMBERS' MOTIONS

#### INCOME TAX ACT

##### SUGGESTED AMENDMENT TO PERMIT DEDUCTION OF TAXES AND MORTGAGE INTEREST ON PRINCIPAL RESIDENCE

**Mr. Trevor Morgan (St. Catharines)** moved:

That, in the opinion of this House, the government should consider amending the Income Tax Act to provide that an individual, in computing his taxable income for a taxation year, may deduct from his income for the year (a) the amount paid by him in that year in respect of municipal taxes or \$500.00, which-

[Mr. Laprise.]

ever is the lesser (b) the amount paid by him in that year by way of mortgage interest on his principal residence or \$2,000.00, whichever is the lesser.

He said: This motion is aimed at what I consider to be one of the fundamental needs of the people of Canada today, and that is shelter. I submit that in the way it has been framed it favours no one. This is ensured by the limitations.

If one considers present government policy in respect of housing, or perhaps I should say the lack of it, in conjunction with interest rates and the oppressive tax structure under which people suffer at the present time, he will see that there is no doubt that it is impossible for low and average income families to purchase homes. Home ownership has been a dream of many people in this country, but this government makes this just a dream.

Task forces have travelled around this country studying housing problem and have found that 80 per cent of the people contacted would like to own their own homes. This is not possible. This government has an unemployment problem which could be solved easily if something were done to encourage home construction, but this government refuses to remove the 11 per cent tax on construction materials. Surely the government could do something about encouraging people to own their own homes. This could be done by adopting this motion. There is a requirement for homes by 200,000 families.

● (1700)

Any student of first-year economics could tell the government that encouragement of the construction industry would stimulate the whole economy. If the government would adopt this motion it would increase the demand for housing, stimulate the economy and put thousands of people back to work. What is the cost of the interest paid by people who own homes? The interest rate has been raised from 6 per cent to 9  $\frac{3}{4}$  per cent. That is the rate this government is allowing now. In the last month the bank rate was increased from 5 per cent to 5  $\frac{3}{4}$  per cent and the CMHC rate increased to 9  $\frac{3}{4}$  per cent, thus raising the monthly cost to the person owning a home. This, in itself, is inflationary and adds a great deal in the way of interest payments.

To attack the inflation the government could adopt a motion such as this. The major costs of any home to the average man are the interest payments and the amount of money he must pay in the form of real estate taxation. These people should be given a break in respect of reduced cost of shelter which, in turn would reduce inflation. I think this is something this government does not seem to understand. By reducing the interest rate and giving these people a break the government could reduce the cost even of the rental payments on homes. This would reduce the pressure for increased wages, and would stop the cost-push inflation which we have in this country today but which this government cannot seem to recognize. Let us stop the cost-push and keep the inflationary costs down.

The single family dwelling is the best security any Canadian can have against the inflation which this government seems unable to cope with. Some people may ask how we can pay for this. I say simply by the encouragement of new home construction more people would be