

Oral Questions

—to assist those unable to bear the burden of renegotiating their home mortgages in the present abnormal situation so that the spectre of foreclosure will be avoided.

That was a firm commitment made in the throne speech opening this Parliament, before \$1.5 billion was spent on Petrofina. Does the Minister of Finance intend to honour that commitment, or will that commitment to Canadians be abandoned, and will Canadians who are facing renewal of their mortgages now in many cases be forced simply to let their houses go?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, as I mentioned yesterday in reply to a question from a member of the opposition, there was indeed a similar situation existing in the country respecting interest rates at the time the Speech from the Throne was made public and announced. We were all very deeply concerned about the very sharp increase in interest rates not only in Canada but also in the United States. It was in that context that that was commitment made.

Subsequently, however, as the Right Hon. Leader of the Opposition recalls, interest rates in Canada dropped sharply, and the fact of the matter was that after very careful monitoring by the government, and after co-operation arranged with financial institutions by the minister responsible for the Canada Mortgage and Housing Corporation, most home owners—indeed all—were able to renegotiate without any difficulty in that situation.

Since that time I have given the assurance to the House that I am monitoring the current interest rate situation and the impact it may have on the ability of those who are currently renegotiating their mortgages, and that is the commitment I restate now.

Mr. Clark: Madam Speaker, for those Canadians who might have missed that, the clear message of the minister is that he intends to abandon absolutely the promise he gave to Canadians. His word is worth nothing. That is what he is saying.

REQUEST FOR INTRODUCTION OF MORTGAGE TAX CREDIT PROGRAM

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, the Minister of Finance talks about the easy situation Canadians are facing. Perhaps he would like know, as the House should know, that a typical Canadian home owner trying to renew this year a \$30,000 mortgage will be paying \$90 a month more in interest alone than he or she would have had to pay if that renewal had occurred when this government came to office. Ninety dollars a month is the high cost of Allan MacEachen.

In light of this burden which is being placed upon Canadians, many of whom are faced with the prospect of losing their homes, will the Government of Canada not honour its obligation and honour its word, recognizing that \$90 a month more now than would have been paid when this government was elected is indeed a heavy burden for most Canadians? Will the

Government of Canada not do what it should do and bring in the kind of measure my government proposed, a mortgage tax credit, which would have met all that extra cost, or will the government take some other action? Will the minister help those Canadians who are now paying \$90 a month more for the “privilege” of having a do-nothing Minister of Finance?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the only suggestion the Leader of the Opposition is ever able to make when he asks questions on the orders of the day in so far as the economy is concerned, is that we should spend more money. Every day he gets up and says, “Let’s have a new program. Let’s add to the deficit. Let’s increase expenditures”—

Mr. Nielsen: What about Petrofina?

Mr. MacEachen:—while his former minister of finance, the hon. member for St. John’s West, looks away in embarrassment at the naivete of the Right Hon. Leader of the Opposition.

Some hon. Members: Hear, hear!

● (1420)

Mr. Clark: The difference, Madam Speaker, is the direction of the spending. This government is prepared to spend \$500 million to aid the OPEC countries because it cannot sign an energy agreement. This government is prepared to pay \$1,500 million for an oil company that the country does not need, but it ignores the needs of ordinary Canadians who are being driven into bankruptcy or driven out of their homes.

Some hon. Members: Hear, hear!

Mr. Clark: The minister, who is interested in spending, might know that while he was out of the country, running away from his responsibilities last week, the Minister of Labour indicated that he intended to bring in expensive new programs. He said, and I quote, “I don’t give a hoot how much it costs.” That is the spending of the Liberal party.

The Minister of National Health and Welfare in the Minister of Finance’s absence last week indicated that she proposes higher child tax credits—Allan gets out of town and the government starts to spend everything it can. That is the position of this government.

Some hon. Members: Hear, hear!

Mr. Clark: Madam Speaker, when is this government going to recognize that the Conference Board of Canada, Wood Gundy, Data Resources, that everyone knowledgeable about the housing industry is indicating there is going to be an increase of at least 15 per cent per year in the price of houses in Canada unless there is some change in the government’s policy? I ask the Minister of Finance will he not accept his responsibility to help those Canadians who are already paying too much for housing and who are going to be facing further