

National Housing Act

those Canadians who qualify. Even so, many Canadians who are forced to buy houses must make staggering monthly payments. I myself was fortunate enough to build a home, with the help of Central Mortgage and Housing, at a time when interest charges could not be changed every five years. I still pay 6 per cent interest and am doing my best to keep up the payments so that I will continue to own my home.

This bill will provide assistance for the installation of sewerage treatment plants. This program will help that part of our country closest to my heart, rural Canada. When my colleagues talk about housing, I think of the distinguished and young president of CMHC whom I have had the privilege of meeting two or three times and of seeing in the gallery. I stress that rural Canada is every bit as important as the concrete jungle. I hope the corporation will continue to provide money for people who live in rural Canada and who may not be as affluent as their counterparts in the cities. I thought I would put a plug in for them, Mr. Speaker. It has been said that 75 per cent of our people live in the cities, in the great, sprawling urban centres—call them what you will. The 25 per cent who live in the other part of the country are finding it tough to get along and special assistance should be considered for them.

Hon. members may be aware that I participated for many years in a different form of government from the one in which we are now engaged, that is, in municipal government. For 30 years I was involved with the corporation of a small town. I still have a soft spot in my heart for municipal councils and I know their difficulties in collecting taxes which are necessary for the provision of services.

This brings to mind a suggestion which I made some years ago to the Ontario Association of Mayors and Reeves, a suggestion which has recently come to the federal government's attention. It is this: consideration should be given not only to those who are looking for houses but also to those who own their houses and are doing their best to hang on to them by carrying out renovations and paying municipal taxes. I have said before, and I say again, taxing a tax is unfair. If a person pays municipal tax, why in heaven's name should he also pay income tax on what he pays? This flies in the face of common sense. Apparently there is some reason for it. I am quite sure that some well-to-do people inside and outside this House pay municipal taxes ranging from \$1,000 to \$2,000 a year. But there are many people, including myself, who live in modest houses and pay taxes of \$400 or \$500 a year. If the government put a ceiling of \$500, say, on the municipal tax which could be set against income tax, it would greatly help those who are paying income tax and cannot afford to pay too much by way of total taxes. Such a measure would bring relief to them and I think parliament should consider it.

As suggested in previous speeches in this House, I think we should allow for some mortgage interest to be deductible from tax. This would help those who want to buy a home, and would enable them to hang on to it. You hear of people buying homes and paying carrying charges ranging from \$400 to \$500 a month. That is just staggering and is absolutely ridiculous. I myself pay \$98 a month on my mortgage. Originally, I believe my mortgage was for

\$13,000—and now you can't buy much more than a double garage for that amount of money.

• (1620)

Something should be done to help the people in rural areas. The previous minister spoke in glowing terms of special housing for rural Canada and the native people. I would like to know what amount of money has been channelled into that area. Another important matter relates to the building restrictions in rural areas. It is impossible to get the approval of CMHC. They will not approve the lending of money unless there is a sewerage system. In a great many parts of Canada septic tanks are very adequate and I see no reason why there is not a special incentive to allow them.

I ask the minister to discuss this matter with the officials of CMHC to see whether something can be done to provide housing in rural areas. In these areas land is much cheaper. People in the Toronto area do not bat an eyelid when offered \$20,000 for a lot you could probably jump across. However, lots are available in the rural parts of Canada. I speak with some authority about my constituency of Parry Sound-Muskoka. In all fairness, a lot of the difficulty in getting houses built is not because of this minister; it is because of Queen's Park and other provincial governments. I am prepared to concede that.

The system should be speeded up to make lots available in small towns. I have stated on many occasions that a great many retired people live in cities such as Toronto and Montreal. Everything is fine when they are drawing big salaries, but when they are on pension it is difficult to live in these high tax areas. In a great many cases these people would welcome the opportunity of moving to an area where the climate is reasonable, where the way of life is not as fast and they can live a tranquil life. They will probably be happier and live a lot longer. I see the Postmaster General (Mr. Mackasey) agrees with me. I can think of a great many people in metropolitan Montreal who would be glad to shake the dust of that city from their feet and move to a rural area.

I concede that there should be more public housing. However, I say to the hon. member for Broadview that many municipalities have public housing programs. In my particular area the provincial government will provide assistance if asked; however, many municipal councils will not ask for it. I can think of a specific council in my area which says it does not want public housing; it will build its own homes. I think of a municipal official who is a contractor. I took a pretty dim view of his attitude in that case. A great many municipalities should be approaching Ontario Housing Corporation and CMHC. This would raise the percentage of public housing a great deal. I agree with the hon. member that we must provide a great deal more housing for the working poor, people on fixed incomes and pensioners. If we get some of these homes that are available, high cost homes in the cities will become available for people with growing families.

I commend you, Mr. Minister, for what you have done. I hope that you and the Minister of Veterans Affairs will not forget the veterans whose program is being phased out on March 31. They have had the biscuit. I was under the impression that something would be forthcoming; how-