

Housing

because of high interest rates. No one wants to buy them because they cannot afford the mortgages, because they do not earn enough to afford the mortgages. In my riding, 30 per cent of the forest workers and the millworkers are unemployed. Many shingle mills in the riding I represent have just closed down. The workers are out. They are out of work. We have a country with money, we have a country with skills and we have a country with raw materials, yet we are short of housing. Zero vacancy rate! That must say something about mismanagement somewhere. It does not matter whether one points a finger at the minister responsible for housing, whether one points a finger up in the air, or points the gun at the foot and shoots the foot off. There is something wrong in this country when that happens. This mismanagement is totally unacceptable. People will be forced to double their mortgage interest rates.

Let me tell hon. members a little story about a constituent of mine. Approximately six months ago, a very nice young woman with three pre-schoolers came to see me at my office. She told me her story. She will have to give up her family AHOP home because it will soon be five years since they bought their place, and the mortgage is due for renewal. She is extremely worried about this. Out of her husband's net income of approximately \$1100 or \$1200 a month, they pay \$465 for house payments. If the interest rates remain around 20 per cent, this young couple will face a mortgage payment of more than \$750. That is out of \$1100 to \$1200 a month. I do not know how your math works out, but it looks to me like approximately 60 per cent or 66 per cent of family income goes to mortgage payments. So what will they do? They will have to do one of three things. They will have to sell the house and find something cheaper, which will be very difficult, or they will have to go renting, which is almost impossible, or else she will have to go out to work if she can find a daycare centre for her children. That situation is replicated all over Canada. I know it is much more tense in high-cost areas such as Calgary and the lower mainland of British Columbia; but I think it is only one example of the tragedy which affects many people and the tensions which build up in the family, the sort of policy in human terms, the stress and the scrimping of many households, as a larger and larger hunk of the family income goes to pay off mortgage payments, just for shelter.

We must talk about these things in human terms, because it is happening to people. It happens to people whom I represent. Hon. members cannot be unfeeling about this. We should freeze mortgage rates. At any time the family income goes above 30 per cent for shelter, we should freeze mortgage rates.

Some hon. Members: Hear, hear!

Mr. Rose: There is no question about that. We cannot let it go on. We had it before in the thirties. We had it in Saskatchewan. What did the CCF do? Banks were threatening take-overs of farms. The new government forbade that to happen, and the people of Saskatchewan have never forgotten T. C. Douglas for that.

A lame justification was offered by the minister when I approached him with this. He said, "Well, you would be

helping home owners, but you would not be helping renters. Besides, after all, they are increasing their equity." I have forgotten exactly whether the minister said this to me or to the House. He further said, "It would be unfair because many renters would be caught in the same squeeze if it were not for rent controls." My view is that that is no excuse for doing nothing or for cutting rent controls, which is what he suggested in order to stimulate house purchases or more building of rental accommodation. He said AHOPers could claim an extra subsidy under certain circumstances and implied that the people were getting wealthy because their home values had doubled. Listen to the minister. Here is his advice. Great! "Sell your house and be rich and homeless." That is what he is saying.

Approximately 300,000 people are due for mortgage rollovers in the next few years, approximately three or four years. In Saskatchewan alone, there are 15,000 in distress, and it is what, two thirds the size of British Columbia? Probably. We are in a high-price area. However, most people do not talk about that. They are embarrassed to admit that they are scrimping on food, giving up on insurance, clothes and entertainment. Other people sell just to beat the foreclosure. They sell before the bailiff comes in. I do not understand why we have not had mass civil disobedience over this sort of thing, mortgage strikes, or rent strikes. I think a time will come when people will both refuse to pay and refuse to move out.

I will refer back to the 1960s. We had a 6 per cent legal ceiling. We cannot go back to 6 per cent, and everyone knows that. However, there certainly ought to be some place between 6 per cent and the inflation rate of 12 per cent, and perhaps 2 per cent or 3 per cent for a reasonable kind of mortgage interest rate. I think the minister agrees with me because I do not think he is a heartless man. He has been under a great deal of pressure. I think he has attempted to convince his colleagues that the matter is serious. The minister just cannot convince his colleagues to go along with him. At least, I hope he cannot. I think something has to give somewhere. It is not going to splash all over the household. What we now have is a shelter shambles. Nobody can quarrel with that. What do we need? In the Vancouver area we need about 2,000 co-op units next year. Last year it was over 1,000 we built. Next year, building will be down around 900. Why? Because federal funding has been withdrawn from the co-op units for senior citizens and others on low income. We need 14,000 total units per year on the lower mainland alone. The minister says that if we pass this bill there would be an additional 3,000 units. We would have 3,000 for all across Canada. We could use that many in our lower mainland without any difficulty at all.

• (2110)

I know that one has to make a start somewhere. But what has happened is that the government has cut back and is not going ahead.

An hon. Member: They are starting to go backwards.