

*Request for Housing Statement*

Trois-Rivières, who is no longer in his seat, said that the lack of capital in Canada was attributable to everybody, except to the government which is responsible for it.

He also said that the rise in interest rate is one of the reasons why there is a housing shortage in Canada and that everybody was to be blamed for it, except the present government.

He also mentioned that the 11 per cent tax on building materials constitutes one of the direct causes of the problem. He indicated that he was favouring its removal. However, I remember quite well that several proposals to remove this tax were brought before the House but the hon. member for Trois-Rivières always voted against them. Are the answers of the government side serious?

Last year, there appeared in the March 5, 1969 issue of *La Presse* an article, which reported the following, and I quote:

The CNTU of Montreal proposes that a vast public housing sector be set up in Quebec—

For that purpose, the CNTU set up a committee of tenants which it called for the occasion the Tenants' Association. That committee presented a report from which I would like to quote:

The report points out that estimated Canadian needs in housing units to be built per year vary between 170,000 and 200,000. In Montreal, between 35,000 and 40,000 would be needed. The Tenants' Association states that in its opinion, 100,000 low-price units would be needed in Montreal while governments have built less than 1,000 to replace the 14,332 which have been demolished.

It is estimated that the number of over-populated housing units in the Montreal area is 90,903.

The Tenants' Association also conducted a survey on housing costs in Canada as opposed to other countries of the world. It reported as follows:

Moreover, it is found that, in general, Quebecers on the whole pay more for housing...than in several other countries of the world, that is 18.8 per cent of the family budget as compared, for instance, to 9.9 per cent in Sweden, 7.4 per cent in Italy and 5.5 per cent in France.

Those figures were published by the Tenants' Association. Nonetheless, the hon. member for Trois-Rivières this afternoon would have us believe that the housing situation in Canada was one of the brightest compared to the conditions prevailing in other countries.

In its editorial of January 8, 1969, *Télévision de Québec (Canada) Ltée* had this to say about interest rates and housing:

It is surely not by increasing its interest rates on loans from 8½ to 9 per cent, as the Central Housing [Mr. Rondeau.]

and Mortgage Corporation did on January 1, that the federal government will encourage Canadians to build. In addition, it is not by maintaining its 12 per cent tax on building materials that the government will encourage contractors to undertake building projects.

The following appeared in *La Presse* on January 4, 1969, and I quote:

The former president of the Housebuilders' Association, of the Montreal district, Mr. Albert Gagnon, expressed the hope that all builders will refuse, as he does, to build houses as long as the interest rate of 9½ per cent on mortgage loans will remain in force.

In a brief submitted to the Association, Mr. Gagnon said that the rate was prohibitive.

The spokesman of the Montreal builders before the Hellyer Commission points out, in his submission, six consequences which, according to him, would result from the increased interest rate.

It must be noted that the six effects mentioned have been felt in the past year in the Canadian economy, mostly in the housing field. The first effect of the increased rate was the following:

an increase in the rates now being charged by all loan companies.

This followed the increase in the mortgage interest rate by the federal government. I continue the quotation:

The rate of conventional loans could easily reach 11 per cent or more;

The rate is now 11 per cent in most Canadian areas.

Therefore, his prediction came true. He goes on to say:

—a sharp slowdown in new housing starts resulting in a housing shortage:

This effect has also been evident in the past year. I continue the quotation:

—a spiralling increase in unemployment, a situation quite opposite to a policy geared to the "just society";

A society "just for fun" has been advocated or, as the Prime Minister (Mr. Trudeau) said, a "just society." He did not say for whom! Two years after his coming to power and thanks to the publicity he has enjoyed so far, we realize that we now have a society "just for him". The quotation goes on:

—rent increases which will be reflected in a higher cost of living;

Everywhere, especially in the larger Canadian cities, rents have gone up.

I continue the quotation:

—more pressing claims from the unions for wages increases which will contribute to strengthen the inflationary trends—