

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[English]

NATIONAL HOUSING ACT AND CENTRAL MORTGAGE AND HOUSING CORPORATION ACT

AUTHORIZATION FOR CMHC TO MAKE INTEREST REDUCTION GRANTS, CASH GRANTS, ETC., TO ENCOURAGE HOUSE CONSTRUCTION

The House resumed consideration of the motion of Mr. Sharp (for the Minister of State for Urban Affairs) that Bill C-77, to amend the National Housing Act and the Central Mortgage and Housing Corporation Act, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. David Orlikow (Winnipeg North): Madam Speaker, when I was speaking this afternoon I was discussing the tremendous power which land developers have been able to accumulate by their purchase of land at very favourable terms to them, land which they keep until there is a demand and which they then sell at a substantial profit to themselves. I am not critical of land developers—they are part of our free enterprise system and they do what they are permitted. I spoke about the situation in Toronto, and now I want to put on the record the situation in my own city in Winnipeg.

According to a study done in Winnipeg, Winnipeg's four major private developers share a land bank among them of 10,000 acres worth about \$35 million. BACM Industries Limited emerges as the giant among the four private developers. This company, which is involved in all facets of the house building industry, has assembled a total of \$4,000 acres. Ladco Company Limited holds 2,400 acres. Qualico Developments Ltd, has almost 2,200 acres.

Until recently, says the study done by an officer of the Manitoba Housing and Renewal Corporation, these developers had virtual control of the residential land market and had only to contend with each other in buying land. However, competition among these companies was minimal as each would respect the other's right to assemble properties in certain areas of the city. These holdings put the developers in a very favourable position of being able to supply large quantities of land required for future residential development in Winnipeg.

The study goes on to point out that in one case one company was able to assemble a large parcel of land at about \$400 an acre. When one realizes that land is now selling for houses in the neighbourhood of \$10,000 to \$20,000 per lot, even calculating the cost of putting in the services one can see that land developers have done extremely well and, as I indicated earlier, they have been the big winners in the game of getting as much out of the public as possible.

National Housing Act

● (2010)

What has been the response of the present minister and former ministers in Liberal governments to the needs of the people? Instead of reducing housing costs to a level which could be afforded by Canadian families, the government is attempting, in the minister's own words, to help them with their cash flow position—in other words give them a monthly subsidy, and perhaps they will be able to afford the exorbitant charges.

There is no doubt that the Assisted Home Ownership Program is popular among moderate income families living outside metropolitan areas where they can find homes within the price limits the government has set in order to qualify for assistance. However, my colleague, the hon. member for Broadview (Mr. Gilbert), said yesterday that the upper limits the government has set are far below the price for which one can buy a home in metropolitan areas of Toronto, Vancouver, or most of the other cities in Canada. Yet what has the government done in pushing its Assisted Home Ownership Program? It has cut back very drastically on the kind of housing which is the most needed in this country, namely, public housing programs.

A former minister of housing in the province of Ontario pointed out that lack of low cost housing is one of Canada's major problems. The minister has said he recognizes this, yet Ottawa this year proposes to spend only 12.5 per cent more on housing than it spent in the last fiscal year. That hardly takes care of inflation, let alone the need. The province and metro Toronto planned to build 8,000 senior citizen units and 2,000 family units in 1975-76, but Ottawa decided that the middle income groups needed the help more, so now Toronto will be lucky if it gets about 2,000 senior citizen units and 500 family units. It is not because the people who can afford to get into AHOP need housing more than the people who should have been accommodated in public housing or in senior citizen housing; it is because they have more political clout, and it is to them the government responds.

Instead of going ahead with more public housing the minister has decided to push the limited dividend housing program and the Assisted Home Ownership Program. This did not meet with the support of Ontario or many of the other provinces because it removed the emphasis from the low income group where the greatest need still exists. AHOP duplicates a program, Home Ownership Made Easy, which Ontario launched long before Ottawa had ever conceived the kind of program we have in AHOP.

What the Ontario government wanted last spring was for the federal government to commit itself to three fundamental principles. The Ontario government wanted the federal government to consult the provinces before setting its housing priorities. I am sure there is not an hon. member of this House who would not agree—particularly if he does not think of how his party, and especially the government party, wants to do things—that the province and the local municipalities know better the needs of their residents than does the bureaucracy in Ottawa, than does that great head of CMHC who made a fortune in building houses, the kind of houses on which he could make a profit, not the kind of houses people really needed.

Surely we should be consulting provincial governments and municipalities more than we have been. The Ontario