

have the answer, Mr. Speaker; and they have not tried to answer, because there is no answer. They propose that we fix prices. Well, a large percentage of Canada's major products are exported, such as, paper, copper, zinc, nickel, wheat—

Mr. Alexander: Lumber.

Mr. Orlikow: We export lumber—

Mr. Alexander: And the cost of houses is going up.

Mr. Orlikow: I have not heard one member of the Conservative Party suggest a two-price system for the products which we export. Without a two-price system, what we would be doing if we fixed the price at the present rate, and the world price for those commodities went up, would be subsidizing consumers in the United States, Japan and other countries which buy our products.

I think I have indicated very clearly, Mr. Speaker, that even if an incomes policy makes sense, even if it is possible—and I question that very much—it is certainly not possible on the basis of the proposals or suggestions detailed by the Conservative Party today or any other day, in parliament or outside. Having said that, I want to make it clear that I do not accept the present government's policy of doing nothing about the increased cost of living.

● (2140)

What can be done? Where are the major increases in the cost of living taking place? First of all, they are taking place in the cost of housing. I suggest that a great deal could be done about this. The Government of Canada could tell the chartered banks and insurance companies of Canada that they must allocate a substantial percentage of the money they have available for lending to the field of residential housing in order to meet the needs of many for residential accommodation, and that they should lend the money at prime rates of interest.

If the people could obtain money for houses at 7 per cent or 7½ per cent instead of, as at present, 9½ per cent or 10 per cent, which will be the rate in the not too distant future, the people of Canada would save substantial amounts of money. I have calculated roughly that on a \$20,000 mortgage, if instead of paying 10 per cent, which will be the going rate at the end of the year, a person could pay 7 per cent he would save \$600 per year or \$50 a month. That amount would really be significant in meeting the increase in the cost of living.

As well, I suggest that the federal government co-operate with the provinces in establishing a land bank assembly program. Let us get rid of the developers who are fattening themselves and speculating with land at the expense of the housing consumer.

An hon. Member: What will you do with them, shoot them?

Mr. Orlikow: What about food prices?

The Acting Speaker (Mr. Laniel): Order, please. I regret to interrupt the hon. member, but his time has expired.

Cost of Living

[*Translation*]

Mr. Herb Breau (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, I do not have much time left. I only want to say that the solution of the Progressive Conservative Party to check the increase in the cost of living and price increases is to freeze incomes.

In other words, the income of those who are defenseless, namely the majority of producers, farmers, fishermen, will be frozen across the board. The man who, in my riding, works in a fish factory for \$1.60 or \$1.75 an hour, will have its salary frozen. That is the solution proposed by the Progressive Conservative Party in the current situation.

Mr. Speaker, faced with this situation, the government has proposed fair solutions. Indeed, it tries to improve the net income of Canadians by increasing the old age pension, by establishing programs to help the have nots, those who are defenseless. In other words, instead of acting negatively and freezing incomes, high or low, we are saying that we are going to increase the net income of Canadians.

Some members of the Progressive Conservative Party are trying to talk of the components of misery. Yet, I must remind them that under the Canada Assistance Plan, the federal government shares 50 per cent of the cost of this plan.

The Acting Speaker (Mr. Laniel): Order. It being 9.45 o'clock p.m., it is my duty, pursuant to section 9 of Standing Order 58, to interrupt these proceedings and forthwith put every question necessary to dispose of the motion now before the House.

Therefore, the question is on the amendment (Mr. Godin).

All those in favour will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Laniel): Those against will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Laniel): In my opinion, the nays have it.

Call in the members.

[*English*]

It being 9.45 o'clock p.m. it is my duty, pursuant to section 9 of Standing Order 58, to interrupt these proceedings and put forthwith every question necessary to dispose of the motion now before the House. Call in the members.

● (2200)

The House divided on the amendment (Mr. Godin) which was negated on the following division: