

*Housing Prices*

\$4,000 to \$7,000 a year, I also mean families of 10 living on an income of \$10,000 a year, because I think that such a family can also be considered to be low income.

Under Sections 15 and 40 of the National Housing Act, money is available to non-profit groups and municipalities to purchase existing property and to rehabilitate them for renting or selling. In my opinion this section of the act has not gone far enough. My party recommends that the federal government extend the National Housing Act provision to make federal grants and loans available for rehabilitation of existing dwellings. Financial assistance should be on the basis of individual need. There are 250,000 homes in Canada in serious disrepair, and about one million substandard homes. Something should be done in this regard. I suppose the difference between the minister and myself is that I would get these things done, and I am wondering when he is going to try to do something.

Another problem in the cost of residential rehabilitation results from—

**Mr. Basford:** Would the hon. member permit a question?

**Mr. Deputy Speaker:** Order, please. The hon. minister may ask a question if the hon. member consents.

**Mr. Basford:** I was wondering whether the hon. member would permit a question? Does his last remark mean that he is calling for an immediate introduction of amendments to the National Housing Act?

**Mr. McCleave:** Yes. Another problem in the cost of residential rehabilitation results from the high proportion of elderly people who find themselves in this particular situation. Toronto studies have revealed that a high proportion of residents, living in housing which does not meet minimum city standards, are over the age of 65. Of the 1.7 million Canadians over 65, the income of one million of them consists only of the old age security and guaranteed income supplement. In their declining years our elderly citizens living on fixed incomes have enough difficulty maintaining a subsistent way of life without contemplating unbearable costs in the form of shelter maintenance.

I know, as I am sure other Members of Parliament do, of many families of old people who are scrimping on their diets and on almost everything in order to somehow scrape together enough money for taxes, heat and light bills and the like, simply to keep that house over their heads in which they have lived for so long.

**Mr. Stanfield:** The government is giving them almost 10 cents a day more.

**Mr. McCleave:** May I point out that the Dennis Task Force on Low-Income Housing in 1971 recommended that the federal government should undertake an aggressive land assembly program to stem the most inflationary factor in the housing cost; the price of land. However, the federal loan provision for the acquisition of servicing of land for housing purposes expired March 31, 1972. This is an indictment in itself. There should be better provision for earlier servicing of land. That is an important element.

Finally, I should like to refer to a point made by the Canadian Federation of Mayors and Municipalities. This point naturally arose as a result of the obligations of these

[Mr. McCleave.]

municipalities to raise the wherewithal for developing sewer and water services. Let me quote from this statement:

The Canadian Federation of Mayors and Municipalities believes that the present system of sharing revenues among the three levels of government is out of balance. We feel that this imbalance is leading to a growing gap between needed and actual expenditures at the local level with a consequently detrimental impact on the quality of life in our communities. Moreover, we feel that this imbalance promotes a deterioration in the independence and vitality of the municipal level.

I suppose some of them feel that way since they have very difficult negotiations with provincial governments. This federation then said in its statement:

The solution lies, at least in part, in righting the imbalance with the introduction of a new source of revenue for local government. We therefore offer the following proposal:

That the Federal and Provincial Governments agree to share with local government a portion of their proceeds from personal and corporate taxes;

That the portion to be shared be decided upon by a tri-level conference;

That the municipal share of personal income tax proceeds be distributed on the basis of place of residence;

That the municipal share of corporate income tax proceeds be distributed on the basis of an equalization formula devised by a tri-level conference.

Later on in the statement, we find the following:

The transformation of the revenue-sharing system in the last decade has not been of great benefit to the local level. Municipalities have been left to rely on a highly regressive, inelastic tax as their principle source of tax revenue. Moreover, the present system leaves the local level at the end of expensive and costly conditional transfer programs. These programs, often initiated by other levels of government without consulting the local level, must be delivered by local government sometimes at the expense of their own responsibilities. The present system, in other words, not only fails to alleviate fiscal squeeze at the local level, it actively promotes it.

Let me give you another example. A poor individual might be left a Rolls-Royce by rich Aunt Emma, but may find the upkeep almost more than he can bear. I have mentioned the plight of older people again and again. Their housing needs are substantial. I use that argument to show why a new tax base is needed and why there has to be meaningful negotiation among the three levels of government in order to assist municipalities faced with staggering changes in the Canadian way of life, namely the rush toward urbanization. There must be a new tax base in order to tackle the problems of urbanization.

Frequently, older homeowners take the view that their homes will, with a minimum upkeep in expenditures, provide for their diminishing needs for the remainder of their days. Many are not interested in, or unable to undertake repairs. Improved property attracts increased property taxes, as an added price for keeping up the fabric and appearance of a dwelling. This is my point and it is particularly true of those people who are the greatest victims of inflation in Canada today. I would not, and cannot say when inflation is going to stop. If 18 per cent more money every year is to be printed on the presses of the Bank of Canada, costs will continue to go up and up, and most people will feel utterly helpless in the face of such a method of financing.