

ing. That is one factor the hon. members who spoke before me did not bring out.

To my mind, it is one of those factors which must be taken into account if we really want to see the construction industry as it really is because, Madam Speaker, housing is not an abstract idea. Housing is based on the construction industry which is a very lucrative industry; and it is profits the investors, the promoters are concerned with at this time. So I believe more attention should be given to that first factor.

● (1510)

The second factor I want to emphasize this afternoon is the advent of a new form of participation in urban life by tenants and owners. Formerly, people used to buy a house and live isolated and individually in their family home. Nowadays it is entirely different. Owners as well as tenants associations have been established, and they make, and rightly so, claims and requests of all kinds which are often justified but which investors and promoters obviously view as one of the new factors to be considered when they decide to invest large amounts in housing. They face complaints and claims that they must meet, and a number of those promoters would rather invest in commercial or institutional building where those factors of participation by the people do not exist.

One must also consider another factor, Madam Speaker, and that is rent control. Formerly, investors could depend on free enterprise on the housing market. They did not have to concern themselves with complaints or with government interference in setting rents. Nowadays, an investor or a promoter who invests millions in projects must also consider that in a few years, in five or ten years, the municipal or provincial government may decide to freeze rents which would decrease his profits, whereas in other fields, as I said a while ago, in shopping centres for instance, there is no such fear.

Those are so many factors which cropped up again in the building industry and must be considered when the number of housing starts shows a decrease. It is utopian to believe that a mere increase or decrease in the rates of interest will immediately bring about the spectacular result of 100 housing starts. I do not think, Madam Speaker, that the situation can be cleared up when emphasis is put only on that one factor.

There is also another element, Madam Speaker, and I am surprised the hon. member for Don Valley (Mr. Gillies) who is an economist did not mention it—and that is productivity. The construction industry in certain areas of this country—and I am thinking of the province of Quebec in particular—has registered a considerable drop in productivity in the past year. Indeed, the latest reports released by the Quebec Minister of Industry and Commerce show that productivity in the construction industry dropped by 45 per cent.

You know of course, Madam Speaker, that this past week the Quebec National Assembly passed two special pieces of legislation—Bill 29 and Bill 30. The purpose of those two bills is to restore order in the construction industry. Madam Speaker, nobody in the province of Quebec is glad about construction unions being put under trusteeship. I think, Madam Speaker, that when a situa-

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tion arises where a municipality, a union must be put under trusteeship, it is because the situation is serious enough. And such a step necessarily has the effect of limiting freedom. I think, Madam Speaker, there is not a member in this House who subscribes to a social system where the possibility must be considered that eventually all of our institutions would successively be placed under trusteeship.

I read in the *New York Times* last week that the city of New York was soon to go bankrupt and that eventually it would be placed under trusteeship by the U.S. Government.

I am not glad, Madam Speaker, that municipalities in this country should be placed under trusteeship. When a population can no longer face their representatives, when construction union members can no longer face their representatives, they are in the same situation as when the residents of a city are forced to ask their provincial government to put their municipal administration under trusteeship. Any trusteeship, Madam Speaker, amounts to a restriction of liberties, and I do not think that this government or opposition parties include massive trusteeship as a major item in their election programs.

Madam Speaker, I think the construction industry in Quebec in recent years went through an extremely difficult period. One only has to review various projects financed by the Central Mortgage and Housing Corporation to see that every month one of those projects went bankrupt either because a contractor gave up his project or because after a few months of work certain elements in the construction showed considerable defects.

I need not mention here these projects: they are well known of most hon. members. But why can tenants and owners no longer trust developers and contractors? Why have we reached, all of a sudden a point where developers no longer want to get involved with the construction industry? It has become an explosive sector, where it is not possible to foresee any more how long it will be before projects and buildings are likely to fall apart, so that prospective buyers can no longer consider them a safe investment.

I feel that one of the key factors of the 100,000 housing starts which, as was clamoured a while ago, are dangerously lacking in this country would be the cleaning up of the building industry. I insisted on the reduced productivity of the building industry in Quebec. I am not deceiving myself, I am not implying that in Vancouver, Toronto, Halifax or St. John, the housing industry is experiencing high productivity rates. The construction industry in Canada is now in a disastrous situation. I believe our responsibility as a government must be shared both with provincial authorities and developers themselves. I am amazed that opposition members, on this opposition day, did not see fit to draw the government's attention to that factor.

I can assure the House that at least all Quebec members, when in these last weeks they met with representatives of the building industry, of CHMC and the Minister of State for Urban Affairs (Mr. Danson), were extremely concerned with the situation. They are concerned because the freedom of trade unions is one of the basic rights in this country, and personally I consider it much more important