

*National Housing Act*

another. These are matters that the minister could also take up at the next tri-level meeting on housing.

Many notable economists have stated that house price inflation will not be brought under control until the supply of houses exceeds demand for a time. This is only logical, but the call is for a minimum of 275,000 new housing starts this year, as opposed to the 210,000 that the Minister of State for Urban Affairs has set as his minimum. The eight provinces at last week's federal-provincial housing conference unanimously called for at least 250,000 starts this year.

If this objective is to be met it is obvious that the minister will have to look very seriously at these suggestions, and others. He must realize that he does not have all the answers, as none of us do, and should begin listening more closely to the other groups involved in the industry.

Earlier in this parliament I made the suggestion that the government look more closely at the mobile home as a source of relief to the housing squeeze. The parliamentary secretary at that time expressed a great deal of interest and assured me the suggestion would be investigated more fully. What has been done in this regard since then?

I think this minister has made some mistakes during his tenure, some of which have had a negative effect on house sales. One persistent miscue is the announcement of programs, such as the \$500 bonus on moderately priced new houses, as long as six months before a program will be implemented. This keeps prospective buyers from going ahead with their plans in anticipation of the impending program.

Last fall, \$3.6 million were spent on a housing survey that asked questions like: "how many bathrooms does your house have?". Again I must mention the \$100 million urban demonstration program that this minister's predecessor freely admitted would not result in any houses being built. That \$100 million would go a long way towards supplying municipalities with funds to supply serviced lots. These surveys and studies are not needed.

As the previous minister responsible for urban affairs also admitted, we have a large over-surplus of surveys and statistics in this country. The situation is well known; the problems are recognized. These surveys do not build houses. I say, divert the money toward mortgages, and toward supplying three bedroom bungalows on serviced lots.

The most extensive and useful survey that has been done under the federal government was the 1969 report of the Hellyer task force on housing and urban planning. But how many of this report's recommendations have been implemented? Very few, I think. I would like to suggest that if those recommendations had been heeded and more effective action taken on them, we would not be in the mess in which we presently find ourselves.

But how much money has been spent on studies and surveys in the last six years? The walls of the urban affairs offices must be lined with the results.

What we need from this government and this minister is not more rhetoric, statistics or surveys. What we need is a more unified, efficient policy, some positive action to cut the red tape involved in building a house, and some direct

assistance to municipalities to supply serviced lots at a reasonable cost—nothing less, Mr. Speaker.

**Mr. F. Oberle (Prince George-Peace River):** Madam Speaker, I am particularly happy to see in the House now both the former and the present minister responsible for housing because, as both these hon. gentlemen will of course realize, in my speech, I will deal with the subject that involves them, namely, the subject of the native and rural housing program in which both ministers, in my opinion, have made some serious mistakes.

Before I speak on that subject I would like to make a few comments about some of the problems that confront me daily in trying to interpret the existing programs and existing legislation to my constituents. I have awaited with great interest the introduction of this bill, but I have not held my breath. Probably that was a good thing because otherwise I would have suffocated.

I believe that if a great statesman had been in this House, such as was in England at one time, he would have said that never have so many said so much about so little. I am as disappointed as every Canadian must be, whether he lives in a metropolitan centre or close to one, whether he lives in an urban centre, apart from the major metropolitan areas, or whether he lives in a rural area in Canada, because the bill does not address itself to the main problems faced by Canadians today.

● (1720)

It is inconceivable to me that the minister can declare that the dream of owning a private home near any of the urban centres of our country is a forgotten dream and that it will not be possible for Canadians to own a private home. With that announcement a Canadian way of life has been abandoned or destroyed. My constituents, as well as those of my colleagues, are responding because we are not reacting to this announcement with any great degree of enthusiasm.

I do not read into the bill, which the minister has introduced and tried to defend, all the things the minister says are there. He said that the bill moves to eliminate, through the removal of the federal sales tax, the high cost of construction. Several of my colleagues have touched on that. Sales tax has been reduced to 5 per cent, but the effect of inflation counteracts this and there is not any real reduction. In order to make any impact, the sales tax should be removed in its entirety.

With regard to the high cost of money, the minister said that he has invited private capital into the market and that there will be a significant breakthrough in the alleviation of the high rate of interest. The minister knows what should have been done with interest rates on housing. It has been suggested to him before what should be done to attract private capital to the housing market.

The idea would have been to allow private capital in the housing market and to allow for deduction of interest earnings on such investment from income tax. I suggest that the minister has tried to get this idea past his cabinet colleagues and has not succeeded because I think that he knows how to reduce interest rates, if he were really serious. I suggest that his cabinet colleagues did not agree with some of his ideas. The program he did introduce will