

National Housing Act

provided for in the constitution. Well, I suppose if you carry this question through as far as the minister would like to carry it, the British North America Act is our constitution; it is an act of the imperial parliament, so it could be said we are creatures of the imperial parliament. What I am saying is this: I cannot see anything really wrong with this amendment. If there should be conflict as to whether the amount should be 90 per cent or 100 per cent, that is an easy matter to change.

I do not want to get into an argument with the government on the broad field of housing policy, especially not today when the minister has been gracious enough to accept four of my amendments, but I should like to say this to the minister, through you, Mr. Speaker; the Prime Minister (Mr. Trudeau) has been using the constitution to stall all projects. When we press him to provide housing for the average man he holds up his hands and says there is a constitutional problem. I do not believe there is one. Take the province of Ontario. If Ontario was jealous of its rights in circumstances where the federal government was lending money to a corporation owned by a municipality, then the municipalities of Ontario are not obliged to form such a corporation. If Alberta feels the same way, there is no need for Calgary to form such a corporation. On the other hand, if there are rural municipalities which are prepared to form such a corporation—maybe there is no demand for a co-operative association, or it is difficult to find people who are sufficiently dedicated to charitable purposes—why should they not set up a corporation and get money which is basically intended for public housing?

The reason I am driven to the position I am taking this afternoon is this: we shall require a great deal more public housing. This is not one of the things I really want, but when interest rates are 10 per cent on CMHC mortgages, something has to be done. Take figures like these: in Halifax, houses which sold five years ago for \$27,000 are now fetching \$45,000. In Vancouver, a home which was selling five years ago for \$25,000 is now selling for \$49,000. In North York, a house bought in 1971 for \$55,000 sells today for \$75,900. And when we remember that only 4 per cent of the people on wages today can afford a new home under CMHC it is time something happened. We have been driven into a desperate position as a result, in my opinion, of the government's economic policies, policies which affect housing most.

So I am asking the minister to reconsider his position. I do not want for one moment to put the government on the griddle in a minority parliament. We are voting with the NDP and the Creditistes, but there is nothing wrong with voting with them any time the government is wrong. If the government is really nervous about the position in that regard, it can have the amendment passed on division. I do not think the fact that a municipality sets up a corporation and deals directly with the CMHC will make the provinces mad. I think the provinces are mad because the people are mad. The minister has tried. Every time I read the bill I see a little more in it. But what happened today? Interest rates went up. The bank rate set by Ottawa was raised to 6.25 per cent. This means an increase in the chartered bank rate to 7¼ per cent, one per cent higher. It means that mortgage rates are between 9 and 10 per cent. And there is no stopping this trend. It may be 11

[Mr. Woolliams.]

or 12 per cent before we are through. Yet, goodness only knows, people must have housing.

Time magazine printed a great article in its June 11 edition. Everybody should read it for two reasons, first, because of the article dealing with housing, and second, because of an article about a superhorse called Secretariat. Everybody should read the article on the housing market and how it has gone wild. Read about housing in Vancouver, Calgary and Halifax. There is a national crisis in housing and I say it is the fault of the government. They should stop hiding behind the excuse of the constitution. I say that when there is a national crisis, in time of war, the government can take over everything. They can freeze wages, prices and dividends. Surely, there is a crisis when people cannot afford homes, cannot afford to pay the rent, even when the man and wife are both working. The man uses his salary to keep the family together and to pay the bills; the wife uses her wages to try to save for a downpayment on a house. Even with two working today, no longer can they save enough to get a downpayment.

● (1630)

On those grounds, I am forced to support the amendment, and I do not see why the minister is so upset about it. I do not think it will destroy the constitution or create any problems for the provinces. If the government serves the people of Canada I am sure that the provinces would be happy, and I am darned sure the people of Canada would be happy.

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, I listened to the remarks of the minister and I respect the sincerity with which they were put forward. But, like the hon. member for Calgary North (Mr. Woolliams), I did not find them particularly convincing. In terms of the housing needs of this country, I think we in Canada must muster all possible efforts from whatever source to fill those needs.

I think that the municipalities are strategically in as good, if not better, position than any other agency or level of government to assess housing needs in their particular areas, and to move to correct those needs, if they have the financial resources at their disposal. I support the amendment because, unlike the minister, I think that to require, through some notion of constitutional nicety or the establishment of the bona fides of a municipality, that 5 per cent of the financing should come from the municipality is really putting an unnecessary obstacle in the way of meeting our housing needs. For many municipalities, this 5 per cent would make the difference, particularly when, as we well know, they are today confronted by a real squeeze on revenue and by increasing pressures on expenditure. I can well imagine a municipal council deciding not to proceed if the cost of doing so were in the order of \$50,000, \$100,000 or \$150,000, as might be the case.

Municipalities have a very real financial stake in development, aside altogether from the 5 per cent question. They have to provide servicing and educational facilities for the people who live in housing communities. They thus have a continuing financial responsibility, against which the 5 per cent over the long run amounts to not much but which in the short run could prove an effective deterrent, since their principal source of revenue at the moment is a