

Housing

house, there would be a saving of \$1,356 a year. I contend it is outrageous that on a \$35,000 house, with an 11 per cent mortgage, the principal amounts to only \$17 a month but the interest is \$320 a month!

The Liberals have failed totally to address themselves to the problem of interest rates. They will not confront their friends in the financial institutions because bankers and financiers in this country are sacrosanct as far as Liberals are concerned.

● (1610)

We of the New Democratic Party believe, unlike the Liberals, that owning a house is not a privilege but a social right. Nothing is as important for family upbringing as decent accommodation. Decent housing is a social right, just like education and medical services. To make that concept a reality we would do the following, and we urge the minister to consider these points seriously.

First, we should reduce mortgage interest rates and compel financial institutions to give priority to residential housing in their lending policies, and free more funds for the housing market. In addition, we would compel them to set aside a certain percentage of assets for mortgage moneys to be lent at 6 per cent to low income people. I am gratified to note that the NDP government of British Columbia has moved in that direction by setting up its own provincial bank which will lend mortgage moneys at 6 per cent to low income people.

Second, in order to get more housing units built, we would double the housing budget, even if that means deficit financing. Housing represents an important social need, and we must build more houses. Certainly by encouraging house building we will stimulate the construction industry, one of the most job intensive in the country. Our target would not be 210,000 units, but 400,000.

Third, we must involve the government directly in house construction. As the private sector is not building enough houses, especially public housing, because it is more profitable to build individual units, the government must become involved directly in housebuilding. Governments have become involved in this way in several European countries.

Fourth, we must bring land costs down. Government funds for land assembly must be increased. We must do more of the sort of thing the Manitoba government has done in land banking. For example, in Winnipeg one can buy fully serviced government assembled lots for \$7,000; lots in the private sector sell for \$14,000.

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

Mr. Walter Baker (Grenville-Carleton): Madam Speaker, having listened to this debate all afternoon I suggest that all Liberal members who spoke, with one exception, did not make serious contributions on this important motion and serious subject facing the country. I include the minister. The minister recited a catalogue of frivolous programs which have not worked, as demonstrated by the hon. member for Don Valley (Mr. Gillies), the hon. member for Kingston and the Islands (Miss MacDonald),

[Mr. Symes.]

and others. That is a reflection on the Liberal members who spoke, among whom I include the minister.

Only the hon. member for Maisonneuve-Rosemount (Mr. Joyal) made a spirited and sincere speech about the problems and ferment in the construction industry. I think that was the gist of his remarks. I ask the hon. member for Maisonneuve-Rosemount what has contributed to this ferment? I suggest the main contributor has been the government, or the Minister of Finance (Mr. Turner) whom he supports. The government which he supports has fuddled and duddled and fiddled, not dealt with inflation, led us blindly into economic chaos, and all the while has tried to assure us that everything in the country is all right. The situation has deteriorated to the point at which, finally, the Minister of Finance has admitted that we face an economic crisis. The mounting crisis this country faces, and the instability and fear it generates, is responsible in part for union unrest and the ferment of which the hon. member spoke. I think the hon. member knows that, too.

Canada is in economic difficulties. As the hon. member for Don Valley said, the housing programs of the government are built on an economic foundation and an economic premise of a bygone age. It is important to bear in mind one statistic: as of April, 1975, housing starts are down by 42 per cent, compared with starts in the same period last year. There is no indication that the Eaton's catalogue of programs which the minister cited will turn the situation round, and therein lies the tragedy.

It is also tragic to note that, faced with the present serious situation, we heard a minister who is tired. I do not know why he is tired.

An hon. Member: From fishing.

Mr. Baker (Grenville-Carleton): I suspect he is tired from wrestling with others in the cabinet who do not share his perhaps well-intentioned views for dealing with this serious problem.

Others have spoken about their areas of Canada; I want to speak about mine, the national capital. I suppose that compared with other areas of Canada the national capital is prosperous. But, make no mistake, we face problems as well. Mayor Greenberg is reported by the *Ottawa Journal* of May 6, 1975, in an article headlined "Grim housing shortage predicted for Ottawa", to have said that there would be a severe shortage of housing for rent, not only in Ottawa but in the region as well. On the same day the *Ottawa Citizen* printed an article headlined "Rental lack foreseen in region." The article said in part:

The slowdown in housing construction is Canada-wide. In Ottawa during the first four months of this year, permits were issued for only 361 housing units, compared to 2,835 during the same period last year.

Remember, this is not a large city. I think Mayor Greenberg was being conservative in his assessment of the gravity of the crisis. But you need not talk to Mayor Greenberg or any other elected official to learn how grave is the crisis in housing. You will learn how bad conditions are if you read my mail. People write and telephone me all the time, and complain to me about their inability to obtain housing. In Grenville-Carleton many people are forced to live in highrise buildings because other housing accommodation is not available for them.