



Unfinished houses, like these on South Sheridan Way near Clarkson Rd. were unlikely two years ago when Mississauga real estate was booming. Now, there are about 2,000 unsold homes on market. Real Estate spokesman says they will be gone by fall.

Unsold Housing... ...Gone By Fall

## Real estate: an overview

By SID RODAWAY  
Mississauga's large stock of completed but unsold new housing units, estimated by some officials to reach 2,000 homes, should largely be gone by the fall, says Real Estate Board President Tom LaBella.

Then upwards pressure will be brought to bear on the price on resale homes, he feels. Although the market has been healthy during the first quarter of 1975, prices of multiple listing service sales through Mississauga Real Estate Board members crested in February and then slipped by as much as \$3,000 to \$4,000 on a single family detached home by the end of April.

Listings are up and so is the volume of sales with local agents resulting in a more competitive market. Combine this factor with a return to higher interest rates on mortgages and the temporary overstocking of new housing units and the result is basically a fairly stable market with improved price competitiveness.

Despite LaBella's optimism, interest rates remain a major factor and he admits it is difficult to predict where they will go. A few months ago, the real estate industry was excited by the falling interest rates that promised to bring the buyers out.

Rates bottomed out at 10 1/4 percent in the late winter but have since risen to as high as 11 3/4 percent in some cases although most first mortgage money is still available at around 11 1/4 percent. Money market people claim that the shortage of mortgage funds is only temporary but LaBella adds, "they always say that."

In January 127 used detached homes were sold in Mississauga at an average price of \$58,784. That same month, condominium apartments averaged \$35,470 while townhouses sold for an average \$42,430 and semis for \$52,650.

By February fully detached homes crested at \$72,780 while condominium apartments dropped off by about \$1,000. Townhouses averaged \$45,370 and semi-detached homes averaged \$53,010.

In March condominiums and townhouses remained much the same and semis rose another \$2,000 to a high of \$55,000, but fully detached homes dropped an average of \$2,780 while the number of their sales rose substantially.

April was the biggest month so far this year for volume with 340 sales chalked up by Mississauga

MLS members and prices across the board sagged by about \$1,000 — possibly the result of increased mortgage rates and greater price competition.

LaBella points out that so far, the \$1,500 provincial grant and the \$500 federal grant to first time home buyers have had little effect on Mississauga resales. Their main area of influence will probably prove to be young buyers with small down payments purchasing lower priced condominium apartment units. At higher price levels the \$2,000 in grants will probably prove ineffectual in convincing potential buyers to take the plunge.

LaBella agrees with his Toronto counterparts who claim that the developer is being squeezed out of the single family unit construction market by forcing him to produce a product that a good part of the general public can no longer afford.

With apartments offering little in the way of attractive profits, most developers are either getting out of residential construction altogether or are specializing in condominiums that offer affordable units to middle income families.

A E. LePage research director, Clifford Bowman, predicts that by 1980 two thirds of all new dwelling construction in Metro will be condominiums.

LaBella points to the increasing acceptance of apartment condominiums and so called stacked townhomes in the new and resale markets in Mississauga. Taste in housing styles often changes in response to financial demands. A decade ago, LaBella remembers that new detached home buyers would often shy away from a deal if the house was situated near semi-detached units.

"You were a second class citizen if you had to buy a semi then — you were almost made to feel ashamed of it," LaBella recalled.

But now semi-detached homes are considered a dream for many young couples and condominium apartments and townhomes are considered the "stepping stones" to a semi or fully detached home.

The increasing reluctance of builders to construct the traditional suburban house may eventually make the condominium the final objective of most citizens. Singles will be the preserve of the wealthy or the historically lucky.

"The days of urban sprawl are coming to an end," predicts

LaBella. He foresees that despite municipal efforts to the contrary, land and construction costs will force most new homebuyers into considering higher density forms of development.

Although he admits developers are getting out of the residential market as they did in 1960 and in 1969, demand for homes will eventually make it worth their while to return. Developers are a nervous lot by definition and require strong confidence in the opportunities for solid profit before venturing into residential construction.

It is obvious that to maintain the balance of low and high density housing development will require some radical solutions that have so far not been proposed. Simply legislating lower densities does not make housing either affordable or profitable.

Many in real estate, including Clifford Bowman, conclude that the only alternative will be for "idealists" to realize the impossibility of everyone affording a detached home with a self-contained yard and turn to what they see as the only practical solution — more high density condominium units.

LaBella is not one of those who have climbed on the bandwagon of placing the housing shortage blame on municipal councils. Prices and mortgage rates have had more to do with the housing slump than any other cause.

Mississauga's commissioner of planning, Russ Edmunds, revealed in a recent report to city council that there is an inventory of council approved but still un-built homes of 16,000 units.

"It has been the cry of developers and senior levels of government, particularly the province, that the present shortage of affordable housing is due in large part to the reticence of municipalities to provide a large supply of serviced land for residential purposes," he said in the report.

"Mississauga has been lumped into this category without any regard for the facts of the matter. For example, Mississauga's efforts on the housing scene are classified as the same as say those of Oakville, whose reported objectives include the achievement of little or no growth, and the records indicate they have been successful."

He stated that in 1974 Mississauga had 5,053 new housing

starts while Oakville had only 628 starts.

Citing specific examples of built but unoccupied new housing units, Edmunds pointed out that San Tropez townhomes still has 385 units for sale, Kuhl Construction in Malton has 604 units, Clarkson-Southdown has 714 units, and Kuhl Construction in Erindale still has 178 units. A lower density development on the South Service Road in Clarkson has 118 still unsold units.

During 1974 Edmunds admitted that housing starts dropped 44 percent to 5,053 units and during the first quarter of this year starts dropped to a point 85.5 percent below the same point last year.

"The slowdown in producing residential accommodation was not and is not due to the lack of available building sites in Mississauga, but to influences outside the control of the municipal administration, such as tight money, high interest rates, buyer resistance and other factors related to the general economic picture."

"In addition, as part of Mississauga's continued commitment to providing residential units, a full 31,000 units are now under development application. When combined with the 16,000 approved but un-built housing units the total short range potential reaches 47,000 units or enough housing for 144,000 new residents."

LaBella states simply that many home builders simply overpriced their products off the market last year and substantial price reductions have been required to bring out the buyers. It's price that still counts the most and these reductions should eliminate much of the existing empty housing stock by the end of the year, he predicts.

LaBella foresees a stable price market for the next several months with a gradual upswing towards the end of the year as real shortages become apparent. As the empty housing inventory dries up and fewer and fewer new homes come on the market, the final result can only be one thing — a renewed upward trend in house prices. Mortgage rates, always difficult to predict, will remain a critical factor however in the accuracy of his predictions.

Compared to other areas it has been a good year for Mississauga real estate agents. The Mississauga Real Estate Board now stands as the third largest in Ontario in sales volumes and the eighth largest in Canada.

## Tenants' rights group set to discuss problems

Tenants' rights, rent increases and organizing techniques for tenants will be topics discussed Sunday, May 25, at the first public meeting of the Peel Tenants' Committee.

Scheduled to start at 7 p.m. at T. L. Kennedy Secondary School on Hurontario St. in Cooksville, the meeting has been endorsed by four tenants' associations, the Brampton and District Labour Council, Senior citizens groups, area churches and Local 531 of the United Electrical Workers.

The Tenants' Committee originated earlier this year in an attempt to inform tenants in Peel of their rights, says committee chairman Lee Villimaire of Brampton. "A number of tenants wanted to get together to discuss problems relating to tenancy and to seek some common course of action," Villimaire said.

She claims that the housing situation in Peel has become a serious problem and that "it is evident to

tenants now, that they might have to live in an apartment longer than they expect."

If that is to be the case Mrs. Villimaire argues that tenants should have some control over their living area, including recreation, common areas, security of tenure and rents.

The meeting will be moderated by Irene Biggs, producer at Rogers Cable Television in Brampton. The panel will include representatives from both the Metro Tenants' Association and the Parkdale Legal Services; the chairman of the Task Force on the Status of Tenants, Terry Hunter; Professor of Law at Osgoode Hall Law School, Simmon Fodden; and Brampton Ward 3 councillor Bob Callahan.

Mrs. Villimaire says most of the high rise apartments in Peel's two cities will be leafleted to encourage tenant participation in the meeting.

# Business

## Movers must pay damage, CPB says

Moving companies are responsible for all damage caused by them whether the client purchased extra moving insurance or not, says Ontario's Consumer Protection Bureau Registrar, Don Gowdy.

Gowdy was responding to the forwarded complaint of Mrs. Gloria Chan, now of Conquest Dr. and formerly of the Credit Woodlands. She and her family moved to the new location on March 22 but upwards of \$100 in damage to furniture and her new home's wall was incurred during the move.

An estimator for Lakeshore Movers and Cartage had promised the Chans that their furniture would be insured up to \$50,000. There was no extra charge for the insurance because it was included in the hourly rate, she claims the man explained.

The estimator predicted the move would cost \$225 and the final price was \$7 less than that, a fact that Mrs. Chan was delighted with. The moving job was for their larger, more bulky furniture only.

But during the move a man's dresser was badly scratched on one end and men carrying in the kitchen stove allowed it to break through the drywall plasterboard on one wall. The total cost of repairs will be between \$75 and \$100.

The estimator took all the details down on the invoice after the move was completed and informed Mrs. Chan that all she had to do was to forward the repair bills to the company for payment.

When she did send in the

\$50 furniture refinisher's bill, a company spokesman called and told Mrs. Chan that there never had been any insurance coverage and the firm would not pay for the damages.

"He told me that the estimator had been talking through his hat and that he was no longer employed by Lakeshore Movers and Cartage."

Mrs. Chan's husband, Ted, then called the company and

after some debate the firm agreed to cover half of the damage costs.

"It's not the money — it's the principle involved," a still dissatisfied Mrs. Chan said afterwards. "As far as I am concerned this man was representing the company and they should stand behind his promises."

Nothing about the insurance had been put down in writing and Mrs. Chan adds

that she and her husband have learned their lesson — "next time it will be in black and white."

Consumer Protection Bureau Registrar Gowdy felt the case was a simple one, claiming that "a mover is obliged to pay for damage whether you're insured or not." He promised to intervene in the case if the company refused to co-operate.

## Peel's 'resource recovery' plant on way to recycling

The ministry of the environment is advertising for pre-design report tenders on Peel's recycling plant.

The 1,000-ton-a-day "resource recovery plant" could be in operation by mid-1977, if there are few delays in the planning and approval stages of its development, says Wes Williamson, director of the resource recovery branch of the ministry. Design and construction alone could take up to two years.

Tenders being accepted now are for engineering-consultant work on possible plant sites and the capital and operating costs of the project. Tenders will be received until June 6.

Williamson explains that the successful engineering firm will carry its studies to the point where officials will be able to make accurate predictions on cost for the required provincial-municipal agreement under which such a plant will be operated.

The Ontario government will pay for the entire capital cost of the plant and land involved, but will recover 50 percent of this cost from fees paid by local municipalities over a 40-year period.

Williamson estimated the project could cost as much as \$7.5 million, if built this year. The plant's capacity would

fall far short of actual garbage output for Peel region.

At the plant, raw garbage would be sorted into metal, glass, paper and non-useable wastes. The final waste material would go to landfill sites. Present garbage does, but these sites would last far longer because of the reduced rate of dumping.

## 20 new showrooms added to centre

Twenty permanent showrooms for members of the Ontario and Quebec furniture manufacturers' associations have been officially opened at the International Centre in Malton.

The new section of the mezzanine showroom area will primarily feature manufac-

turers of lighting and associated products.

The rooms are part of an extensive number of furniture showrooms that operate year round, mainly for wholesale buyers, but also for the general public during various trade shows at the centre.

## Students hired for creek jobs

Erosion control along Cooksville creek and clean-up of the creek from Dundas St. to Lake Ontario are two of the projects being undertaken by student employees of the Credit Valley Conservation Authority this summer.

Under Program 26, part of the Ontario government's Ex-

pression '75 scheme, 28 students from high schools and universities have been hired for periods between 10 and 18 weeks. The program was formerly called Students Working in an Environmental Enhancement Program (SWEEP).

Besides the projects along

Cooksville creek, other planned operations include cleaning up Silver creek in Halton Hills, Library creek in Acton, the Credit river in Erin, major erosion control along the Credit in Brampton and general roadside cleanup within the watershed municipalities.

One of the four student crews will be doing an ecological survey in Silver creek. The authority is trying to decide whether a dam is necessary at the site which includes some ecologically valuable lands which could be lost if the dam goes ahead.

# UIC questions: why must those in secure jobs pay?

This is the second in a series on unemployment insurance questions and answers.

Q. — How many applications for employment must a claimant make for a period of unemployment of (a) one month (b) three months (c) six months?

A. — The number of applications considered a reasonable and customary effort to obtain employment depends on the state of the labour market in the claimant's area. Therefore, the answers to a, b, and c would vary depending on the extent to which opportunities of employment were available to the claimant. Generally speaking, the commission expects claimants to widen their search for employment as their period of unemployment lengthens provided there are job opportunities.

Q. — Does UIC provide applicants with weekly reports on the number and types of vacant positions in their area and, if not, for what reason?

A. — UIC does not provide applicants with weekly reports on the number and type of vacant positions in the area since this

type of service is the responsibility of the Canada Manpower Centres. However, the commission does maintain general statistics on the labour market by occupation and advises claimants when suitable employment opportunities exist in the area in order that they may carry out a job search appropriate to their situation.

Q. — "Why do I pay Unemployment Insurance Premiums?"

A. — Many people who contribute to the Unemployment Insurance fund, feel they will never be in a position to benefit from it.

Unemployment Insurance is just what the words say. It provides protection, a temporary income, should you lose your job. It is set up on a renewable, yearly basis employment year, not calendar year — the same as other types of insurance.

Yes, just like fire insurance, it provides protection. You certainly do not want your house to burn down but you keep paying fire insurance — just in case.

It is basically the same situation with unemployment insurance. You are buying

protection — just in case you may need it someday. It is generally conceded that these days no one has what can be called a permanently secure job.

The 1930's brought a depression that was (and still is) unparalleled in Canadian history. Hundreds of thousands of Canadian workers were unemployed, not because there wasn't work to be done, but because the bottom had fallen out of our economy. As a result, there was wide-spread suffering and being "broke" was the order of the day.

To make matters worse, the philosophy prior to 1930 was that each man should look out for himself and be able to provide for the contingencies of life the best way he could.

To achieve a stable economy money must circulate. From the business sector to the public in the form of wages. The public will have income to purchase goods and services from the business sector, which now has the revenue to pay more wages to produce more goods which the public will then buy with more wages, and so it goes. If

this cycle is interrupted for any reason, perhaps an energy crisis or a shortage of raw material, these could cause unemployment and loss of income to some. This means the public will have less to spend, business will receive less revenue, they will produce less, lay off more people, pay less wages, and cause a further reduction in spending, until the cycle grinds to a halt.

In 1940 the Canadian people, through legislation, enacted a plan that would prevent a duplication of the "dirty thirties" ever again.

With the unemployment insurance benefits we are able to replace the wage dollar, which has the effect of priming the cycle. Therefore, the unemployment insurance fund is a major factor in keeping our economy stable.

The result of this "priming" is a benefit to those of us who are unfortunately without wage dollars and it puts the rest of us in the enviable position of being able to contribute.

To that extent we all benefit.

Q. — I retired in March, 1972, on medical grounds, after 30 years of full employment, at age 62 years. I applied for unemployment regular benefit but did not receive any payment. I applied for Canada Pension and received same upon attaining 65 in July of 1974. Since I did not receive any regular benefits should I not qualify for the three weeks' retirement benefit from the Unemployment Insurance Commission?

A. — In order to qualify for retirement benefits, a claimant must have contributed to the fund for a minimum of 20 weeks during the 52 weeks before his application, the UIC says. He must be permanently retired from the labor force, and must have applied for Canada Pension or Quebec Pension. Since you did not contribute to the fund during the past 52 weeks, you therefore do not qualify for the benefits under the UIC plan.

Q. — My brother was laid off about two weeks before I was. He receives \$110 per week and I only receive \$102, although our claims are identical. The UIC said it had to do with researching his and my files back a year. What's where the difference comes in.

However, I still don't understand.

A. — You should now . . . and you're receiving the same benefit now as your brother, too.

When you filed your claim you turned in two separation slips with 11 weeks and \$1,691 insured earnings.

The rate of benefit is two-thirds of your average insurable earnings and that worked out to \$102 per week benefits.

March 4, you turned in another separation certificate with 13 weeks and \$3,293 in earnings. That brought you up to 24 insured weeks.

The rate of benefit is calculated on the most recent 20 insured weeks. Your additional separation certificate brought your weekly benefit rate to \$110, the same as your brother.

But, that also left an underpayment for the time you were receiving the \$102 per week.

That means you received a cheque to cover the difference. What could be fairer?