

Urban Affairs

bility to Canadians with regard to the savings they have acquired for Canadians. Therefore, Mr. Speaker, we would have a "no nonsense" attitude with regard to financial institutions and pension funds concerning housing.

One of the large components in the high cost of housing today is interest rates. These fall into the category of usury. When people are paying anywhere from 9 per cent to 10 per cent on a first mortgage, and anywhere from 12 per cent to 20 per cent on a second mortgage, it should make Canadians ashamed. I repeat, interest rates should be no higher than 6 per cent for all mortgages in Canada. May I again remind the financial institutions of their social responsibility with regard to providing decent and clean housing for all Canadians. For persons earning up to \$7,000 a year, interest rates should be fixed according to their income. Therefore it requires government participation with regard to interest subsidies for people on low income.

The next component of the high cost of housing is the price of land. I was amazed to read of the successful Ottawa developer and builder, William Teron, who said that there is no use dreaming about planning a city unless you own the land. It is high time steps were taken to acquire, to service, to sell and to lease land both by federal and municipal levels of government.

One of the striking things for which I must give credit to the hon. member for Trinity is in seeing the need to have federal moneys provided for direct loans to municipalities to assist them in assembling and servicing land for urban growth. This has been one of the major failures of this government, namely, their failure to recognize the need for direct loans to cities to acquire and service land to take care of growth. I can imagine the minister saying to himself that this is covered in the National Housing Act. May I remind the minister that participation under this section of the act has been pathetic. What it requires is the leadership and initiative of the minister to have a tri-level conference with the provinces and municipalities to provide the moneys with which to acquire and service land for urban growth.

We should also give close attention to the task force recommendation to stop speculation in land. In the last ten years we have seen speculators acquire land and hold it until the price goes up. The recommendation of the task force report was to implement site value taxation whereby a person is taxed on what he could do with the property rather than on what he is doing with it, if he is doing nothing. Again I would remind members of the House of the necessity of stopping land speculation by having a full capital gains tax rather than the half-way measure that we have in the budget.

To have a successful state of urban affairs we must have the proper mix of types of housing. We must have single dwellings, apartments, co-operatives, condominiums, shell housing—more especially for people in the Maritimes—and mobile homes to meet the needs of those who wish to live in that type of accommodation. We must meet the particular needs of all classes of Canadians. At the moment, Mr. Speaker, I feel that a proper mix of

homes is not being provided and that builders and financial institutions are directing their minds and moneys to apartment dwellings which return higher profit and an easier way of obtaining mortgage repayments.

The young person who gets married requires an apartment, then as the children come along he needs a house and later, when he and his wife reach their twilight years, they need either a senior citizens' apartment or a much smaller house.

Mr. Woolliams: The government has reached its twilight.

Mr. Gilbert: This is the scheme that must be developed by the minister if he is to arrive at the proper mix of housing. May I say a few words about public housing. Many people have said that public housing in Canada become ghettos for the poor instead of providing decent, good housing for low-income groups using the integration principle where public housing is dispersed with other types of housing to avoid stigmatization.

• (9:10 p.m.)

I think a good deal of the blame must be laid at the doorstep of the federal government for not developing public housing with the integration principle under which public housing units would be properly dispersed throughout the community. Public housing has been considered a dirty word in Canada. I think it is high time the government did a promotional job to make public housing in this country as attractive as it is in European countries, where no stigma is attached to it. As one travels England and other parts of Europe one begins to realize the pride of ownership of many people who live in public housing projects.

The task force on housing said that at least half a million homes across Canada are substandard and require a great deal of repair and improvement. Our experience with home improvement loans has not been satisfying. The record of Central Mortgage and Housing Corporation indicates that there has been a decline in the number of home improvement loans granted in the last few years, the reason being that loans are obtained from banks at the prevailing rate of interest and most Canadians requiring this type of housing cannot afford the high interest.

Therefore, Mr. Speaker, we must stimulate and maintain pride of ownership with regard to housing. We must do this by making moneys available to municipalities for the purpose of home improvement loans. Homeowners can then borrow the money from the municipality at low interest rates and repay the money in the form of taxes. Extra taxes are collected when a home is improved. There is nothing new in that idea. We should not object to extra taxes being collected for the repayment of loans for repairs.

It has been said many times that we need a national building code to provide for high housing quality and safety standards. Many Canadians are sad of heart because they read practically every week of families being totally burned out and of lives being lost as a

[Mr. Gilbert.]