

Housing

higher than the demand. Prices will then start to drop. People will once again be able to afford housing.

I totally refuse to accept the proposition that in a country like Canada the average young family can never hope to have a home of their own. That is wrong. They ought to be able to buy a home of their own. They could in this country up until the past four or five years. If people were willing to save and borrow some money, they could get a home of their own. Today they cannot.

I have spoken before about the uncertainty that people are feeling at the present time. Why wouldn't they? The value system they have known is being destroyed. It was a fundamental principle in this country that if you wanted to work hard, you could get a house. Ask those in the urban communities today, those under 30 in the middle income group, if they have any hope of acquiring a house. They do not, and they know it. They are distressed about the situation. They should not have to be in such a predicament.

For the minister even to suggest that we have any sort of success in housing today is a total misunderstanding of what the Canadian people feel. It is a total misunderstanding of the facts. I just cannot understand how he could stand up and make a speech like he made this afternoon. The people of this country want more than that.

The hon. member for Grenville-Carleton (Mr. Baker) asked when the minister is going to get the provincial ministers together. You have to do a great deal more than that. You will have to be in Ottawa within the next two or three weeks with the ministers from the various provinces and the leading lenders and builders in this country. You should all get together in a room and not come out until you have solved some of the problems. You cannot expect the Canadian people to put up with this sort of situation.

The Acting Speaker (Mrs. Morin): I regret to interrupt the hon. member, but he must remember that he is to address the Chair and not the minister.

Mr. Gillies: I apologize, Madam Speaker, but I am very exercised about this particular matter. I thought Your Honour was rising to say I was running out of time.

An hon. Member: Out of ideas.

Mr. Gillies: I am not running out of ideas. I have put forth the fundamental reason this afternoon why housing programs are failing. It is because they are predicated and planned to operate in an economic situation where you have a trade-off between inflation and employment, a trade-off which we do not have any more. For that reason the present approaches will not work.

I again suggest, as I did a few moments ago, that the minister should not be thinking of going to Europe or anywhere else. He should stay in Ottawa, have the provincial ministers here as well as the municipal leaders, and the lenders and builders to turn this situation around so that the people of Canada once again may have housing.

[*Translation*]

Mr. Serge Joyal (Maisonneuve-Rosemont): Madam Speaker, first I would like to thank the hon. member for Kingston and the Islands (Miss MacDonald), even if she

[Mr. Gillies.]

has left the House, for her motion this afternoon because she gives us the opportunity as Canadians to examine for a few hours one of the issues which, for the past few months, has been a concern not only of federal politicians, municipal officials and provincial politicians, but also of all the taxpayers, whatever their means and their interest is in housing.

Indeed, Madam Speaker, I was amazed to note the emphasis placed by the hon. members for Kingston and the Islands and Don Valley (Mr. Gillies) on new housing starts.

Like the hon. member for Don Valley, Madam Speaker, I live in an urban constituency where unfortunately the proportion of owners is very low. In fact, 90 per cent of the people in the federal constituency of Maisonneuve-Rosemont live in rented accommodations. Moreover, 10 per cent of the owners live outside this constituency so that the housing problem in this area is completely different from the described by the previous speakers. The average income of the residents, Madam Speaker, is around \$7,000 to \$8,000 a year. It is therefore very obvious that some Canadians, whatever the interest rates, whatever the grants given by the government for the purchase of a home, cannot consider owning their own home.

However, Madam Speaker, we must not think that every Canadian citizen wants to have his own home. When people want to live in the core of cities, when people want to live in a high-density urban centre, it is obvious that the land cannot be divided so that every citizen can have his own home.

This is why, Madam Speaker, I was rather amazed to note during the first part of this debate that the emphasis was placed essentially on the purchase of a new property instead of on the renovation and restoration of existing homes.

Like the hon. members who have preceded me, Madam Speaker, I have tried to determine what factors may have influenced that decrease in the number of housing starts. Of course, interest rates would seem to be one of the main reasons for the reluctance of builders to start new housing development programs. But one must also realize, Madam Speaker, that interest rates are not the only factor.

Indeed, we must not either reach the conclusion that construction investment funds have suddenly and completely disappeared. For instance, I noticed that in September of 1974, in metropolitan Montreal alone, over \$5 billion were spent on construction. Of those \$5 billion, only \$138 million were invested in housing projects. Where did those other billions and millions go, if they were not invested in the construction of family dwellings? They went into the construction of office buildings, to the tune of \$200 million, into the construction of hospitals, nursing homes, and shopping centres, to that of \$300 million, and into the construction of major road construction projects, highways, plants and manufactures for still another \$400 million.

We realize, Madam Speaker, that under present economic circumstances, investors and promoters have lost interest in housing and turned instead to concentrate their efforts in the field of commercial and institutional build-