

Housing

that 50 per cent of the cost of that house is land and interest rates, that is something we should consider when we are dealing with a housing problem. So, one might ask, what is keeping people out of housing? It is not the cost of labour, or even the contractors' profits. It is two things only, land prices and interest rates. The land under the house I bought in 1961 was 10 per cent of the total cost. Today that same house costs \$70,000, but the land under it is now 50 per cent of its cost. Perhaps the minister is going to say, "Well, that is all the fault of the municipalities".

• (2050)

Mr. Cosgrove: The provinces.

Mr. Rose: The provinces? Oh, well, I know, the Liberals are always out to bash the provinces these days, like the Tories are always out to bash the stand of the NDP because we are known, of course, as the western wing of the Liberal Party. I have heard that in about 16 Tory housing speeches to date, and I thought it would be nice to put on the record here that since last October the Tories voted with the Liberals 20 times.

Mr. Deans: Twenty times?

Mr. Rose: Twenty times they sided with the Liberals, their ideological friends.

An hon. Member: Good judgment.

Mr. Rose: And the NDP voted with the government 13 times.

Mr. Roberts: How many times did you vote with the Tories?

Mr. Rose: So who is the western wing of the Liberal Party?

An hon. Member: The Tories.

Mr. Rose: The hon. Minister of the Environment (Mr. Roberts) is asking—

Mr. Deans: The only party with two right wings.

Mr. Rose: I wish the Minister of the Environment would respect the fact that I am a meek and timorous member and that I get sort of bothered by that kind of—

Mr. Roberts: You have a lot to be meek and timorous about.

Mr. Rose: And humble, too. I think it is terrific that you read so much about Winston Churchill. I did not even know you could read.

I think it is obvious from what I have had to say here, Mr. Speaker, that land prices under the control of the provinces, or the municipalities if you like, are almost as important as interest rates in terms of why we have moved from what I think was a reasonably sensible housing policy 20 years ago, to one which puts interest rates in the position of impeding the kind of housing development that we need. I think it is all part of the problem of the federal government trying to privatize housing, mortgage interest rates and development so that the government can ease its way out. The minister shakes his head.

I did a musical dedication to him at Christmas with the little musical background that I have—

An hon. Member: Very little.

Mr. Rose:—and I think he has had a very difficult time as the minister responsible for housing. I think it serves him right, but I know he has suffered as well. Because of his record of producing housing I did not know whether to dedicate to him that old tune "A Shanty in Old Shanty Town" or, for the many people who are doubling up and sharing accommodation, that song from "My Fair Lady", "All I Want is a Room Somewhere".

His record has not been all that terrific. It has been great, though, for developers, the banks and mortgage companies. But it has been really rotten for consumers, for people who desperately need housing.

Mr. Cosgrove: I rise on a point of order, Mr. Speaker. I wonder if the hon. member would entertain a question if time permits at the end of his comments?

Mr. Rose: Mr. Speaker, I would be delighted to answer any questions the minister cares to pose to me after I finish.

Now, Mr. Speaker, let me talk to you a little about bank profits. We have had these record high interest rates and they were supposed to fight inflation. What happened, though, is that they have caused inflation. The minister knows that full well, but obviously he does not have the influence in cabinet to have that changed so we can have decent and affordable interest rates as we once had.

In the decade between 1970 and 1980 the average industrial wage in Canada rose 150 per cent to \$317 per week. Direct taxes on individuals rose 300 per cent to a total of \$41 billion. Now, contrast those figures with the record of the banks over the same period. Bank profits were up 210 per cent, their taxes were up only 14 per cent, and their tax rate was cut from 50 per cent to 15 per cent. So obviously there has been favouritism on the bank side of the equation. Some people say, well, what happened? We had a reasonably good housing policy in 1970. We might have even had a better one in 1960. I am sure the hon. member for Kingston and the Islands (Miss MacDonald) would agree that we probably had a better one in 1960 than we did in 1970, but we had a good one in 1970. What happened in the meantime? I will tell you what happened. In 1967 the Liberals freed the bank rate from the 6 per cent limit. It was said that if we could only eliminate that limit, we could have a lot more money for mortgages. So we eliminated it, and bank rates started rising for mortgages.

The hon. member for Kingston and the Islands talked about the housing report of the hon. member for—I have forgotten, but I think it was some Toronto Trinity riding—who had a big housing report on behalf of the Liberals. I can still remember that report; it had two big zeroes on the front of it and its author was the Hon. Paul Hellyer, a big "0", too. Later, and belatedly, he came over and joined the Conservative Party. I