

*Natural Resources—Development*

production at the high level we have experienced in the past few years in order to keep the people in my area and in other lumbering areas of this country fully occupied. The article goes on to say:

"Forecasts of U.K. requirements are difficult. The impact of dollar shortages needs no elaboration. Harold Macmillan, at that time chancellor of the exchequer and now prime minister, announced early in December that the United Kingdom gold and dollar reserves had declined \$279 million during the preceding month, and certain drastic steps had been taken to sustain the pound at its current level . . .

"Currently we are competing mainly with Britain's traditional suppliers—Sweden, Finland and Russia—which countries trade in sterling. Any serious devaluation of the pound would practically close the British market to us.

We in this group from time to time have advocated greater acceptance of sterling to make it simpler for the British to carry on, even if we had to accept their sterling now and expect payment in dollars in the far distant future. Certainly we have an obligation not so much to the United Kingdom in this respect as to our own citizens to keep them occupied. What is the purpose of conservation if we are not going to develop our lumber industry and keep it operating? The purpose is, of course to provide employment. There is no value in carrying on in this fashion or in conserving unless we are going to use the resource for a purpose; and the purpose of necessity must be development later. We have reached the development stage. At the same time we are conserving through our sustained yield. We find today that a foreign market, the United Kingdom market which we had developed during the war years, is being denied us because we will not accept sterling in exchange for those commodities or make dollars available in its place.

I find in the *Vancouver Province* of February 8 a most interesting article with respect to the home market, and having to do with tight money. In this respect I might direct the minister's attention to an article in today's *Ottawa Citizen* which says in effect that the number of housing units started in January was less than half the number of houses started in January last year. Undoubtedly the minister is aware of that fact. But these are what the effects are with regard to industry. In my own city just a week or more ago we had upwards of 10,000 unemployed. That is the greatest number of unemployed in the history of that city.

With respect to this matter I might say, Mr. Speaker, that I fully realize that we have had severe winter conditions which make it somewhat difficult to carry on the building trades, but that is not the main reason for the situation.

[Mr. Hahn.]

I find in the *Vancouver Province* of February 8 certain observations made by Doug Collins, a staff reporter who took one week off to make a tour of the city to discover for himself exactly what this situation was. These are some of the things he found; that half of the lower mainland's 1,450 builders will be out of business in a matter of months. That is a drastic situation, when one-half of the 1,450 city builders expect to be out of business within a few months. He also found that National Housing Act mortgages had become a thing of the past. It is practically impossible to get them.

In this article in the *Citizen* today I find similar observations. It is stated that National Housing Act loans approved in December were down 75 per cent from a year earlier, and bank loans for housing had dropped 82 per cent. These are observations that we must take into consideration if we are going to keep our economy at any high level, much less the high level we have today. We are denying the people of this country the right to build homes.

The article in the *Vancouver Province* of February 8 indicates that real estate and rents are going up. It indicates also that in order to get any mortgage money of any kind an individual will have to pay between 7 per cent and 8 per cent interest. This reporter tried nine banks and one insurance company in an attempt to obtain National Housing Act mortgages. He could not find a single bank in that group or an insurance company that would provide the money no matter what collateral he had. In the same article there is an indication that a hardwood flooring plant is being forced to curtail its operations and has laid off 33 men. The plastering trade is at a standstill.

Today I noticed in one of the papers that the national employment service has suggested that people should not leave their building operations until the summer months. You can carry on building just as well in the winter months as you can in the summer. How much more obvious is it, then, that you can carry on that same building on the Pacific coast, which enjoys such fine weather during the winter months as compared with the rest of Canada? Here we find building down to an absolute minimum and contractors talking about going out of business. The regional supervisor of Central Mortgage and Housing Corporation, T. B. Pickersgill, who I understand is a brother of the Minister of Citizenship and Immigration, said the outlook in respect of National Housing Act mortgages is "not encouraging". Probably that is the shortest phrase a member of that family has used in a long time: