

Supply—Labour

me time to examine his own suggestions beforehand.

On May 27, 1966, the Minister of Labour (Mr. Nicholson), in answer to a question from the member for Villeneuve (Mr. Caouette), said:

To date only those who could not meet the basic credit requirements essential to become a home owner were refused mortgage loans.

Loans are refused to persons who are not solvent. But why are they not? Because they are for some time deprived of the fruit of their labour, through income tax and taxes of all kinds. Thus, they are deprived of all possibility of saving a few dollars, and when they ask for a loan, after having been fleeced by all sorts of means, they are told: You are not solvent, you cannot be given a loan. And that, after the government itself has taken everything they possess or what they could have saved to buy a house.

Mr. Chairman, it is against such things that we protest. We feel that every Canadian citizen, every Canadian family should have a home and really own it.

Today, a solution is being put forward. Low-rent housing will be built for low-income people. Last fall, I visited a housing project sponsored by the national association of housing contractors under the auspices of the Central Mortgage and Housing Corporation. In that research project called Mark IV efforts were made to find a way to build houses at the lowest cost possible. Government officials, economists, sociologists are racking their brains to find ways to lower the construction cost. What did we manage to do with that research project Mark IV? We simply managed to build a squalid house.

And when Central Mortgage and Housing Corporation or any other agency makes plans to build low-cost houses for low-income people, they will only come out with squalid houses, at the present time, because the cost of materials has become exorbitant due to all kinds of taxes.

I say to the minister that if he wants more houses, increased housing, if he wants even more demand, he should start by an immediate removal of the tax on building materials and the thousands of taxes of all kinds which enter into the cost of materials and which the buyers are not aware of. For instance, and this is a specific case—it may not be a federal but provincial tax which they have to charge simply because the federal government has too many taxes of other kinds and the provincial government must

step in somehow to get funds—the Abitibi area, where I live, produces lumber for building purposes. However, this lumber is not used in Abitibi only, it is shipped to larger centres, such as Montreal and Toronto. So, to truck about 20,000 f.b.m. of lumber from Rouyn to Montreal, 200 gallons of diesel oil are required; with the 22 cents tax per gallon, this amounts to \$44 for each return trip between Rouyn and Montreal.

So, for each truckload from Rouyn to Montreal, lumber cost is directly increased by \$44 in Montreal, due to this diesel oil tax.

Cost of building materials of all types is thus increased through hidden taxes that are felt but not seen, so that such materials have now become almost a luxury, an almost impossible buy. A house which cost \$14,500, less than five years ago, is now retailed at \$22,000, always using the same materials. This is only as far as cost is concerned.

And now the minister tells us that the interest rate has gone up. So, you can realize how acute the housing problem is in Canada.

We are told that in 1961, about 30 per cent of Canada's workers, numbering at the time 6½ million, did not earn enough to pay income tax. They would certainly be unable to pay for decent housing, at today's prices and high interest rates.

These Canadian workers who do not pay income tax must spend too high a proportion of their earnings if they want to live in a fairly decent home; thus, the amount of money needed for food, clothing and other basic needs for a decent standard of living is inadequate, because they spend it on housing. The housing shortage is one of the reasons for high rents, and this has been repeated many times, specially more recently. And restricting loans, through credits or increased loan interest rates, contributes to the impoverishment of our workers, our senior citizens, our invalids, our unemployed, in short all those with fixed or modest income.

While some ministers say they are undertaking to fight poverty and want, others persist in making people poor. One would think they are fighting the poor rather than poverty.

The housing problem is even more desperate for large families. In 1961, there were more than 60,000 families living in houses that did not contain half the number of necessary rooms. The efforts made by the governments using the National Housing Act that provides low-rent housing for families earning a small