

National Housing Act

with the extended mortgage period, a \$25,000 home with a 9½ per cent mortgage will require payments of \$215 per month, exclusive of property taxes. This is well beyond the ability of most families to pay.

The hon. member for Halifax-East Hants (Mr. McCleave) very ably pointed this out in his speech. When one considers the statistics of income levels of wage earners across Canada which he put forward, it becomes evident that more than 50 per cent of all Canadian wage earners are earning an annual income of around \$4,000. I see very little in the legislation to assist these people in respect of home ownership. On the other hand, I sympathize with the home owner who will be strapped with a 40-year mortgage bearing an interest rate of 9 per cent to 10 per cent.

The bill before us has introduced measures which I believe will be helpful, such as the reduction of the mortgage insurance fee, the authorization of loans for the purchase of existing homes and a marked improvement in the area of student housing and public housing. I think these are welcome measures. However, I believe that much of the legislation is aimed toward building more expensive homes with mortgages for longer periods of time, which in effect assists the person with a higher income. I submit that nothing in this legislation has reflected any earnest desire on the part of the government to bring down the price of a dwelling to the average Canadian. With rampant inflation, high material costs, high interest costs and high taxes, homes will progressively become more and more out of reach of Canadians unless these conditions are alleviated or averted.

We have again heard from government members, as we do so often, statistics about units planned, units started and units completed. It all sounds impressive, but the sad fact is that this impressiveness does little to attack the housing problems which we face. I sometimes wonder whether the Minister of Consumer and Corporate Affairs (Mr. Basford) has ever considered charging some government departments because of the misleading advertising contained in their numerous propaganda sheets. Perhaps he should consider doing this.

After all the extensive reviews, task forces and surveys which have been undertaken, we expected a real, all-out assault on the whole problem of housing and economic deterioration in this country. The government has failed to implement one of the main recommendations of the task force, namely, the

removal of the 11 per cent sales tax on building materials which would cut the cost of an average home by approximately \$700. Nothing has been suggested that would bring about a reduction of indirect sales taxes which are levied against production equipment directly related to home construction.

Another inequity exists with respect to components of housing units such as kitchen cabinets, vanities and windows assembled as a unit in a specialized manufacturing plant. At the present time these components are assessed the full sales tax rate on the manufacturer's selling price. These components are constructed of the same material as those used in on-site construction. However, if constructed on the site the tax is levied only on material, whereas if the components are manufactured in a factory, labour, material, overhead and profit are also taxed. This tends to discourage builders from using the more efficient and specialized factory assembly method and consequently means an additional cost to the consumer.

I contend that this legislation has failed to broaden the scope of home ownership. I refer particularly to the great number of young families who want to build an equity in a home of their own and an equity in the country. The time for them to have access to their own home is when they and their children can together enjoy the comfort of a home.

Nothing in the bill suggests any assistance in the provision of more homes and housing for the Indians and Métis. Nothing in the bill provides for the encouragement of home ownership for these people. I am sure the minister is well aware of the gross discrimination that takes place in many of our urban centres with respect to welfare and our Indian people attempting to obtain accommodation.

In my own constituency, the Saddle Lake reserve urgently requires some 50 dwellings, yet funds were made available last year for only seven units. I conducted my own survey on the Saddle Lake reserve. The housing and water supply on the reserve are most shocking. In a country wherein many citizens enjoy one of the highest standards of living in the world, I find a situation of this sort most deplorable. I am sure the minister, in his role as assistant to the Minister of Indian Affairs and Northern Development, has made similar observations.

The dream of every Canadian family, whether they live in the city or the country,