

National Housing Act

authority C.M.H.C. may have will not prove adequate for the job that is to be done.

As I say, we are at present considering the government's reaction to a fright resulting from the resignation of a minister. We are not dealing seriously with a co-ordinated attack on housing problems and other related problems in this country. When one considers how little is being done in this measure to help low income Canadians obtain decent homes, one can come to no other conclusion. Certainly something is being done about public housing, but what do the minister's proposals mean for the hundreds of thousands of Canadian families not eligible for low income housing? Those families have incomes of not more than \$8000 or \$9000 a year. They must earn more if they are to afford a home financed under the provisions of the National Housing Act. I ask, in what way do the minister's proposals assist those hundreds of thousands of Canadians? For those people this measure surely is a mockery.

Some hon. Members: Shame.

Mr. Stanfield: It is a mockery, sir.

Some hon. Members: Hear, hear.

Mr. Stanfield: The difficulties of those families have been increased by rampaging inflation. We urged the government, as an interim measure to curb inflation, to consider setting up guidelines in co-operation with industry and labour. But the government has done nothing, sir—nothing. It has not even completed appointing the commission that was recommended in the white paper months and months ago.

The report of the Task Force on Housing recommended that the government give relief to our people by abolishing the 11 per cent sales tax on building materials which Liberal predecessors of hon. gentlemen opposite imposed four years ago. The money raised through this tax could be raised in other, fairer ways, which would impose a lesser burden on our Canadian families.

When one considers present interest rates which are making it very difficult for many Canadian families to acquire a home, high interest payments making houses expensive to carry and apartments expensive to rent, one must conclude that neither the minister nor the government are doing anything to bring those rates down. I say, sir, if you cannot help our people, at least you should

not increase the burden on the ordinary Canadian.

Some hon. Members: Hear, hear.

Mr. Stanfield: What government having at heart the best interests of the Canadian householder would seriously consider at this time removing the interest ceiling on C.M.H.C. mortgages and abolishing the maximum differential permitted between long term government of Canada interest rates and the maximum that may be received with respect to mortgages? I am referring to government guaranteed loans in connection with housing. What government thinking of the ordinary Canadian would consider doing this when we see increasing indications that money is to be in short supply and that there is to be competition for available dollars? There is every indication that interest rates will rise further. Indeed, rates have been rising so steadily that one can take increased rates almost for granted. Our expectations in this regard are fortified by predictions.

● (4:20 p.m.)

I know that orthodox finance is in favour of taking off the ceiling. I say that orthodox finance is not always right. If the government takes the position it is necessary to remove the ceiling in order to get more money into housing, that at least is an honest position, although it would probably result in people paying higher interest rates. But for the government of Canada to put forward this proposal and seriously suggest at this time, in view of the current and anticipated conditions in the money markets, that removing the interest ceiling will lower interest rates on C.M.H.C. loans is pure folly. If the government cannot do something to help poor Canadians, for goodness sake do not make things worse.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I would like to congratulate the Minister without Portfolio (Mr. Andras) and at the same time commiserate with him. I congratulate him because I think he has assumed extremely important functions. I believe this government will be judged by its performance in the field of housing. I want to commiserate with him because I have a feeling that the Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. Benson) are not prepared to consider housing with that high degree of priority that is essential to success in coping with the problem.