

have yet to hear, however, any of them say anything about controls on interest rates, profits, real estate speculators and the like. Yet they wonder why we choose not to trust the economy to their hands, when all they talk about is controls on wages and prices. In my opinion any person earning less than \$6,000, \$7,000 or \$8,000 a year in this kind of economy is entitled to all the wage increases he can get, particularly if he is trying to support a wife and children and to pay off a mortgage, and more particularly if he is trying to pay off a mortgage at the kind of interest rates that this or a Conservative government allows.

There are a number of areas in any civilized society where profit making should be ruled out. In fact over the last hundred years there have been a number of areas in our society in which profit making has been ruled out. It has been ruled out with respect to streets and sidewalks, sewer and water systems, public schools and universities. Surely, such a basic human right as having a decent place to live is another area where profit making should be put aside, at least for those on low incomes, for those who live in slums and in substandard housing.

The introduction of the bill is the fourth or fifth time since 1966 that this method has been tried. Its purpose allegedly is to ensure that more money is made available for mortgages for housing. Available to whom? Available to the poor? Available to the people on low wages? Available to people on fixed incomes? No, Mr. Speaker. Each time parliament has dealt with a similar piece of legislation more mortgage money has been made available all right, but available at interest rates that only those with middle and high incomes can afford. It has not made more mortgage money available for those who need housing the most. I hope members of the official opposition will reconsider their position on this legislation. I beg them to reconsider. I beg them to join us in calling on the government to introduce legislation providing interest rates in the nature of 6 per cent for people earning less than \$10,000 or \$12,000 a year.

Some time ago I spoke to a group of young ladies at a school. I advised them that when they left school they should plan on going through two or three husbands during the rest of their lives, because it was unlikely that the first one would live long enough to pay for the home they would buy. It seems to me insensible and unjust that a home valued at \$15,000 or \$20,000 should cost a total of \$70,000, \$80,000 or \$90,000 by the time the mortgage has been paid off. I am not opposed to all profits and I am not opposed to a reasonable or fair profit in many areas of our society. But surely, Mr. Speaker, this kind of profit is immoral and surely the motive of profit in the area of decent homes for those who do not have decent homes, is immoral.

● (1640)

If the government wants to ensure that there is a lot more money available in the mortgage market for housing, and particularly to make sure it is available for those who can afford to pay, then this bill must be defeated. The government must bring in legislation to accomplish the purpose that I am sure it wants as sincerely as we do. To suggest that people on incomes of \$8,000, \$10,000 or \$12,000 a year can afford mortgages at a 10 per cent interest rate is an illusion. We all know that families with two, three or

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four children living on \$8,000, \$10,000 or \$12,000 a year find that a greater and greater share of that income goes for shelter than for food. With each rise in interest rates, a greater portion of the low income goes to paying off a mortgage that will last for 25 or 40 years. Surely even the profit makers, in all conscience, do not want to make profit at that kind of social cost and that kind of indecency to their fellow citizens.

I will be very happy to oppose this legislation and I hope my colleagues in other corners of the House will do the same thing. It will not be a disaster for the minister in charge of housing. He can bring in another bill in two or three weeks or tomorrow or whenever we are here, to do some of the things that we have been advocating for many years to make a greater volume of money available for people on low and fixed incomes.

I have heard the minister refer many times to the number of homes that have been built in the last few years in this country, and there is no doubt that tens of thousands of homes were constructed each year. But they were not for the people who needed them most; they were for the people who could afford them. Imagine what a sufficient supply of mortgage money at rates of 5 per cent or 6 per cent would do for the economy—what it would do for the lumber industry, the furniture industry, the fabricating industry, the appliance industry. Imagine how it would help employment and keep down the cost of living for ordinary families on low incomes. I am sure that is the kind of objective that every member of this House has in his own mind. But to suggest that such an objective can be reached by requiring people on low incomes to pay an interest rate of up to 10 per cent, is not realistic.

When the minister replies I hope that he will have something constructive to put forward on the proposals we have made and that the government can accomplish, as soon as possible, what we have been advocating in the area of housing for people on low incomes.

**Hon. Paul Hellyer (Trinity):** Mr. Speaker, I had not intended to speak in this debate, but I understand that my name has been mentioned two or three times and consequently I have decided to participate briefly.

This bill does not, of course, guarantee that mortgage rates will come down. Even the minister in his wildest dreams would not suggest that would be the result. But he did indicate that if there is a tendency, it would be to exert downward pressure on interest rates to the extent that it channels additional funds into residential mortgages. For that reason, and because this is a useful instrument which will enable mortgages to become more liquid and more attractive to some investors, I think the bill is worthy of the support of the House.

The NDP is quite right when they suggest that the bill is not going to solve the housing problem in Canada. Housing costs are too high, interest rates are too high and something must be done about the situation, but unfortunately the solutions put forward by the NDP are not the right solutions. As a matter of fact, one of the reasons the economy is in such a mess at the present time is that we have followed for too long policies advocated by the NDP and because they refuse to face the basic economic facts of life.