

*Housing Policy of Direct Loans*

that would be necessary. Now he admits that this is not the case, and makes provision for another 20,000 houses by way of direct loans.

The minister has not made any proposal to solve the problem of those Canadians who earn in the neighbourhood of \$5,000 annually. It is impossible for these people to build under the National Housing Act. I believe also that the provision for loans up to an amount of 10,000 in respect of existing houses, as we warned the minister, also has proven to be insufficient. It is my understanding that very few applications have been received. I submit that before long the minister will be forced to increase that amount in order to achieve the objective the government has in mind.

The government has not made any mention of further measures to assist low income families. Last year not many more than 2,000 rental units were provided for low income families in Canada. The Senate report on aging showed there are something in the order of 300,000 Canadians who are in immediate urgent need of low cost low rental housing.

Mr. Speaker, I think there will be nothing but disappointment in all parts of Canada with this minor change in the policy of the government in respect of housing.

**Mr. T. C. Douglas (Burnaby-Coquitlam):** Mr. Speaker, whether the government is aware of it or not this country is facing a housing crisis. The proposal the minister has announced today is about as adequate to meet the housing crisis as it would be to feed a peanut to an elephant in the hope of assuaging its hunger. The proposal the minister has outlined to make direct loans to the builders to enable them to construct some 20,000 housing units certainly will be of help to the builders, but it will be of little assistance to the people who really need houses and who are in the moderate income brackets.

As the minister himself has admitted, one would need an income of \$8,000 or more per annum in order to buy a house today. The latest figures show that a house which cost \$25,000 in 1966 could have been purchased in 1965 for \$20,000. The cost of property is going up, and the housing program the minister has announced will benefit mainly those persons whose incomes are such that they can afford to pay the very large price that is involved here.

My colleagues the hon. member for Danforth and the hon. member for Broadview have been urging the minister over the past two or three years to announce a housing

[Mr. Chatterton.]

policy of direct loans to persons desirous of becoming home owners and not just to builders; that is, to the people in the middle income groups. The government is in a position to borrow money at much lower rates than the average individual can borrow money even under the National Housing Act. Unless the government is prepared to make very large sums of money available to prospective home owners by means of direct loans, the people in the middle income groups are not going to be in a position to buy or build homes.

We hope the government will take some cognizance of the request that homes be made available, by means of direct lending, without a down payment and at low interest rates. We hope some such action will be taken to reduce the cost to those people who want to buy lots.

● (2:50 p.m.)

The last report carried in the *Toronto Daily Star* indicated that people in the metropolitan Toronto area were paying as much as \$10,000 per lot. That price makes it prohibitive for individuals with incomes of \$4,000, \$5,000 or \$6,000 per year to purchase homes.

We have been urging the government, and urge them again, to embark upon a large scale public housing program which will make homes available to a great number of Canadians who today have no hope of owning homes under the present provisions of the N.H.A. It is not enough for the minister to compare housing starts and housing completions with those of 1965. Under present circumstances there has to be a greatly accelerated program. It is estimated that something over a million new homes are needed in Canada. The present tepid and inadequate approach will not give very much encouragement to those Canadian people who are looking for homes in which to live. There is little value in having an affluent society when at the same time thousands of young couples have no means to build houses in which to live and raise families.

We hope the government will make some announcement very soon in respect of a housing policy rather than give us bits and pieces which, added together, indicate that it really has no policy and no imaginative approach to this very serious housing crisis.

**Mr. Raymond Langlois (Mégantic):** Mr. Speaker, I wish on this occasion I could congratulate the Minister of Labour, but I am afraid I cannot. Following the mini skirt budget brought in by the Minister of Finance, we have observed the Minister of Labour