

*Supply—Labour*

**Mr. Nicholson:** Traditionally there has been a spread of 1 per cent or so between Canada and the United States, accounted for partly by differences in the exchange rate.

**Mr. Wahn:** Mr. Chairman, I am convinced that the people of Canada will not be deceived or misled for one moment by the sometimes extravagant and irresponsible charges made on this subject yesterday and today by certain opposition members, including the hon. member for Danforth with his careless reference to the report of the Economic Council which, as I read it, does not support the specific charges he made. Canadians will resent any attempt to make political capital out of housing needs.

**Some hon. Members:** Hear, hear.

**Mr. Wahn:** Clearly, all three levels of government, municipal, provincial and federal, have certain responsibilities in this field. In my own city of Toronto, which has perhaps the most serious housing crisis in Canada, we have an N.D.P. mayor, a Conservative government at the provincial level and a Liberal government at the federal level. All of them are involved. Housing should not be made a matter for partisan politics.

It has been clearly established by the Minister of Labour that the government, ably assisted by C.M.H.C., has executed brilliantly and efficiently the federal housing policy so far approved by the house and set out in the housing legislation of the last few years. The statistics already cited on starts and completions and covering the amount of federal money committed establish this fact decisively and I do not intend to repeat them. However, I do want to stress my personal conviction that to ensure decent housing for all Canadians this house must accept a new federal initiative. It must accept the principle that there is a clear federal responsibility to take a direct and active part in the provision of public housing, at least in the large and rapidly growing urban areas where the crisis is most severe. It is not enough for the federal government merely to act as a friendly banker, the role the federal government has played in the past.

The step announced yesterday in raising the maximum interest rate on N.H.A. direct loans is consistent with this principle. As the minister stated yesterday, "The government intends to devote a larger portion of its resources to the social needs of the lower income groups and to the trouble spots resulting from urban growth, in order to provide

[Mr. Hees.]

improved living conditions in our urban areas". Apparently some opposition members oppose this principle.

In a recent address at the annual conference of mayors and municipalities by Mr. Michael Wheeler, director of special projects on low income housing of the Canadian Welfare Council, Mr. Wheeler pointed out that in the years 1964 to 1966 84 per cent of the total federal commitment to housing was in the form of N.H.A. insured loans, 10 per cent consisted of non-profit loans for housing elderly persons, for student residences and so on, and only 6 per cent consisted of loans for public housing. In the same address Mr. Wheeler pointed out that the average price of N.H.A. houses was just under \$20,000. Under N.H.A. regulations loans for such houses cannot be made to persons having an income below \$7,000 or \$8,000 a year. It is clear therefore that in the past over 80 per cent of our total federal commitment of funds was used to subsidize those who needed it least, those with incomes of more than \$7,000 or \$8,000, and only 6 per cent was used for public housing where the need was greatest.

The minister in his remarks earlier today indicated that so far this year the percentage of funds used for public housing has been increased more than threefold, to \$150 million or 20 per cent of the total. This has been a tremendous improvement but clearly further action is necessary. The minister's statement yesterday should help ensure a still further improvement in the percentage of the total federal commitment which is used for public housing.

One vital fact must never be forgotten. The relatively poor showing of public housing has not been due to lack of federal money. In recent years far more federal money has been available and still is available for public housing than has ever been asked for by the municipalities and provinces which under our legislation have responsibility for initiating public housing projects. I believe it is a fact that since the present minister assumed responsibility for housing not a single public housing loan recommended by C.M.H.C. and proposed by a province has been refused by the government. This is a record of which the government and, indeed, every member of this house can be proud. But more public housing is urgently required in certain areas.

This adds force to what I have said. A new federal initiative in public housing must be approved by this house. It is not enough that federal money for public housing is available. We must go further and see that it is used