

● (2040)

An hon. Member: What about lawyers?

Mr. Nystrom: Someone from behind the curtain said, "What about lawyers?" Perhaps this is something else at which we should be looking. Why should a lawyer rake-off a high percentage on a first or second mortgage when the amount of work he puts in is minimal; his secretary is probably doing it for him in many instances.

Mr. Alexander: That is a lot of nonsense.

Mr. Nystrom: I am sorry if I am stepping on a few toes.

Mr. Alexander: You are not stepping on mine. Just be honest.

Mr. Nystrom: I might refer, also, to other services for which charges are made—mortgage insurance, for instance. There are ways in which lending institutions can increase the cost of a mortgage without actually increasing the interest rate charged. The House should be looking into these matters rather than establishing additional financial institutions which in my opinion will not help at all to provide housing for ordinary citizens at prices they can afford.

The minister in charge of housing seems confident that the bill will lead to an increase in funds available for housing. Perhaps it will. But nothing is said in this measure about means of reducing interest rates. Ordinary citizens will not be assisted to get funds at a reasonable interest rate. That is why we cannot support the government's proposals. In spite of the fact that the Conservative party is concerned about the effect of these provisions on corporate funds, I urge hon. members to my right to join us in taking this position in an effort to help the ordinary citizens of this country. I should like to see the Conservative party do that—

An hon. Member: Filibuster.

Mr. Nystrom:—rather than talk about a 90-day freeze and indulging in short-term political opportunism, as they do too frequently.

Some hon. Members: Oh, oh!

Mr. Nystrom: I see I am ruffling the sensitivity of some members on this side.

Mr. Alexander: That's your story.

Mr. Nystrom: When it really comes down to it, the Conservative party will not stand up and be counted. It will not support any measure which is contrary to the interests of the financial institutions. A good example is what Mr. Loughheed is doing in Alberta when he supports the giant oil companies in padding their pocketbooks.

Some hon. Members: Filibuster!

Mr. Deputy Speaker: Order, please. I think the hon. member enjoys creating a certain amount of interest in the debate, but he should be dealing with the principles before us as they relate to housing.

An hon. Member: What principles?

Mortgage Financing Bill

Mr. Nystrom: Someone suggests that there are no principles in the bill.

Mr. Alexander: Shame.

Mr. Nystrom: Because of this, my party does not see fit to support the measure before us, and instead we call upon the government to come forward with substantial legislation which will help the ordinary citizens. I challenge the Conservative party to join us in tackling the financial institutions. Let us see some action instead of opportunistic words, action which will bring benefits to the ordinary citizens of Canada. If the Conservatives do that, the NDP will be right in there with them, fighting all the way.

● (2050)

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I will say only a few words to give our point of view on Bill C-135 which we find inadequate. The bill does not meet all the standards and requirements which we now see in housing. Its objectives is to create a federal fund for the transfer of money among those handling loans at high interest. The small owner cannot be expected to pay interests of 9¼ or 10 per cent on a mortgage for a house, which often represents 90 per cent of services and taxes.

I congratulate the hon. member for Winnipeg North (Mr. Orlikow) for having drawn the attention of the House on the fact that the small wage earner cannot pay interests over 6 per cent, because through some legislation he should at least be given the opportunity to pay his house perhaps, one and a half times or one and three quarters, but not three times over.

I am speaking on good grounds because I am a shareholder of a company which built 112 single houses last year and we expect to build 90 or 100 this year because there is a demand. But I do not feel at all—and I say it to the House—that anybody is rendered a service when, to comply with the act, we must sell to a poor workman who earns \$6,500 \$7,000 or \$8,000 a year, a house with a mortgage at 9¼ per cent whether it may be a loan from the Central Mortgage and Housing Corporation or from a bank, that is endorsed by the central corporations.

My colleagues say there may be a few banks that grant loans at a rate of 8 per cent. We are aware of the fact, Mr. Speaker, that once the engineer and the urbanist have checked in order to satisfy the Central Mortgage and Housing Corporation, and after the whole approval process of plans and estimates the interest on the loan amounts to 9¼ per cent, 10 or 10¼ per cent. White collars live out of it! We are not the ones who make them live, but workmen who own a house or who want to have one day.

Let us consider the various elements which must be taken into account in the cost of a house. I will take as an example a five room house that is sold for \$20,000 and which is 32 by 48 feet. In order to build this house, 5,600 feet of lumber are required. If someone wants to contradict me, let him stand up. This lumber includes the wages of the lumberjack who earns \$200 a week on average. Out of this amount, one must take \$45 that are paid in direct and indirect taxes. Therefore, only \$150 are left to the lumberjack. The truck driver who transports this