

Business of Supply

income brackets, and ignore those who are in desperate need. This has come so customary a feature of government legislation in this field that one is entitled to believe it is orthodox Liberal theory—help those who have no need for help and ignore those in desperate need.

The report proposes to facilitate home ownership and it does so by suggesting, among other things, an increase in the maximum amount of an N.H.A. mortgage from \$18,000 to \$30,000. It proposes to allow mortgage payments to be amortized over 40 years instead of 35 years and it proposes to reduce down payments to virtually nothing. In short, it is a program for bigger and better debts for those who will be allowed by the financial institutions to contract such debts. As Dr. Rose says:

In our past experience an increase in the maximum NHA loan did not restrain the relentless march of house prices; nor is it likely that the proposed extension of the limit to \$30,000 will mean anything more than the probability that typical new house prices will reach \$38,000 to \$40,000 within two or three years.

I say this is fine for the house builders, fine for the select few. But it is stones rather than bread for the average Canadian. As Dr. Rose says, there is little likelihood that Canadian families with less than \$10,000 a year can possibly undertake a mortgage of \$30,000 in addition to paying higher taxes and meeting the expense of heating and other overheads.

The minister appears to lay great stress on the value of exhortation. He exhorts just about everybody. He exhorts the financial institutions, the insurance companies, the banks, the lawyers, provincial and municipal governments. They are all exhorted to behave in ways entirely different from those they normally follow. Institutions in the private sector are urged to generate new housing capital in the order of \$20 billion. We read that private lenders should be able to meet the bulk of the mortgage demand, that the federal government should encourage much more research and co-ordinate efforts among private lenders to an extent far greater than hitherto. What reason have we to believe this will happen? Is there any basis for this optimism, this reliance on the private sector which runs counter to all experience? To think along these lines is to refuse to accept the lessons of experience.

Some hon. Members: Hear, hear.

Mr. Brewin: No government initiative is suggested in the form of taxation to help in carrying out the accumulation of the \$20

[Mr. Brewin.]

billion required to meet the urgent housing shortage. The proposal to reduce interest rates by means of a federal subsidy of 2 per cent or more is ignored and has presumably been rejected. Nothing is suggested in the report about bringing down the rate of interest. We do find a proposal to throw the rate of interest open, but from the way the market has been behaving lately we may anticipate higher rather than lower rates of interest. The most unrealistic expectation is that bar associations and real estate boards will promote the reduction of the fees of their members. This is naïve but it is typical of the minister and of the report. It is rather like asking a shark to submit to an exodontist.

Mr. Hellyer: Does the hon. member not belong to one of those professions?

Mr. Brewin: Oh, yes I know them very well.

An hon. Member: That is why he said what he said.

Mr. Brewin: The worst feature of the report is the attack on public housing. After denigrating public housing the report calls for a thorough research program into its economic, social and psychological implications. It is as though the economic, social and psychological issues of public housing should not have been before the government for many years. Public housing is a widespread feature of the housing field and every civilized industrial society in the world has experience of it. Yet we are advised to conduct more research in this regard. But here are the key words: "Until such a study is complete and assessed, no new large projects should be undertaken." What are these new large projects which ought not to be undertaken? As I understand it, the Ontario Housing Corporation as well as other housing corporations have for a long time been against large public housing projects. But the hostile tone of the report indicates that public housing projects generally are to be taboo or restricted. This edict, this chill of death on public housing, spells the end to any reasonable hopes for decent housing for a large body of Canadians. The task force seems to brand public housing as an imported concept, as though there was something wrong about importing concepts that have worked somewhere else.

• (5:50 p.m.)

We are told there is something un-Canadian about public housing, that it runs counter to