

National Housing Act

member for Broadview to ask a question of the hon. member for York West.

Mr. Gilbert: I was just prefacing my question Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): The question is, when is the hon. member for York West coming over here?

Mr. Gilbert: Mr. Speaker, I am wondering whether the hon. member for York West will take the same action as the hon. member for Trinity (Mr. Hellyer) if the effort in regard to housing this year is not successful?

Mr. Givens: Mr. Speaker, I have been around here long enough to know that is a hypothetical question. Besides, I have nothing to resign from.

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to preface my remarks by congratulating the hon. member for York West (Mr. Givens) on his most enlightening and informative maiden speech. Hon. members found it very interesting and informative. It is rather unfortunate he does not have the opportunity to exercise his vote accordingly and more frequently. I too should like to extend congratulations to the minister on assuming his new duties as the minister in charge of housing.

Knowing of the minister's success in the automobile business, in which I too have had some experience, I am aware of his ability to meet this challenge. One must always be aware of the constant change in marketing and economic conditions in order to keep up with current trends. These are qualifications the minister has demonstrated, and I hope these qualities, coupled with his success as a politician and his experience as assistant to the Minister of Indian Affairs and Northern Development where he won the high esteem of many native people, will qualify him for this job. I wish him well, and I am sure he will use his wisdom and knowledge in dealing with the problems of housing. I hope he will be able to win the co-operation of his cabinet colleagues in discharging his duties in a functional way and be able to make use of his abilities for the purpose of innovating. I also hope he will have better success than his predecessor.

● (5:00 p.m.)

I think we all welcome the policy of consultation, research and study with the provinces and municipalities in coming up with long term policies. Bearing in mind the minister's

[The Acting Speaker (Mr. Béchard).]

remark that he would welcome any comments or suggestions in respect of the bill with which we are now dealing, I would merely remind him and the government that the present housing crisis exists not only in the large urban areas but is equally apparent in the smaller, rural communities. The task force itself left little doubt that rural Canada was glaringly overlooked. Generally speaking, this is where the percentage of low income groups is at its highest; therefore I suggest that we should not direct all our attention to solving the problem of housing in our urban centres and overlook it completely in the rural centres.

I would remind the hon. member for York West (Mr. Givens) that there is more to Canada than just the city of Toronto. While I realize there are crises in some of the large cities of Canada, I submit that we cannot completely overlook the fact that there are also crises in rural Canada. For example, I see nothing in this legislation which in any way assists the person earning between \$400 and \$500 a month, which is a better than average income for the average wage earner in a small town. We must at the same time bear in mind that there are many earning below this level. However, they are willing to work and have elected not to go on welfare. I ask, what good will the increase of the maximum loan to \$25,000 be in assisting this group? What good will the removal of the interest ceiling be to this group? As was pointed out by my leader and many other hon. members, it will probably aggravate the situation, with interest rates levelling off at perhaps 11 per cent or 12 per cent. We have only to consider the experience with respect to bank interest rates to realize that in the two or three years since the ceiling was removed we have had an increase of 50 per cent in those rates.

I think it is well for us to remember, as was pointed out by the task force, that an increase of 1 per cent in the interest rate adds approximately \$10 to the monthly payment on a 25-year, \$25,000 mortgage. As interest rates go in housing, so are they reflected in the high cost of money to other businesses, including contractors who also must operate on credit. This adversely affects the cost of a housing unit to the consumer. Again, as this government has demonstrated so often in its policy of promoting bigness, we find the effects of this legislation aimed in that direction, assisting the big cities, big lenders and big money earners all closely associated to the Liberals' search for perpetual power. Even