

Supply—Resources and Development

I know of cases where grading called for in the specifications was not done. These young persons, after they move into their homes, try to have this done. Perhaps after two or three years they have to let it drop because the lending companies and the trades will not do it. Then, in many cases the plumbing in these homes is not done according to municipal specifications. These are things inspectors from Central Mortgage and Housing Corporation could check.

Mr. Blackmore: Mr. Chairman, while the committee was considering the excellent report of Central Housing and Mortgage Corporation I gained the impression that altogether too much stress is being placed upon making the loans safe for the lending companies, and altogether too little on the importance of providing homes for people at prices they can afford.

The farther we go in this era of high living costs, the more I become alarmed when I contemplate what is going to happen to this country if something is not done to remedy the housing situation. People who have to rent houses in ordinary communities are faced with costs utterly beyond their ability to pay out of the incomes they are able to obtain. People who attempt to build are confronted with costs which mean in the last analysis, for I would imagine 75 or 80 per cent of them, that after struggling for a number of years to try to pay for their homes they finally have to give them up. This means that in the result the lending institution, which in the last analysis is the state, appropriates the home.

That condition is quite unsound. I do not propose to multiply words at this time, but I would remind the minister and the government that it is physically possible in Canada to render available to every Canadian a home at a price he can afford to pay. If it is not financially possible then it is high time that something was done about the financial set-up of this country. It is not financially possible today for the vast majority of Canadians to acquire a home. I think I shall leave it there.

Mrs. Fairclough: Mr. Chairman, I do not think I can let these items pass without a few comments upon the subject of housing in which the minister knows I am keenly interested. The hon. member for Eglinton has placed on the record statistics which show a deficit of 17,113 units in a specified time. I should like to make some comments with regard to the conditions which undoubtedly were not considered at the time those statistics were compiled. I refer to the units which are razed for various purposes, some because

they are obsolete and others because they must be removed in order to provide for industrial growth. This is a problem which confronts industrial cities like Hamilton.

Of course, industry must grow, and in the main it must grow in the district where it is established. If in order to promote the growth of industry and to provide jobs for more workmen it is necessary to remove residential structures, then of course one cannot stand in the way of progress. But these only add to the figures which have been placed on the record by the hon. member for Eglinton.

I do not think there is any argument that one of the most stabilizing factors in our national economy is home ownership by the individual. That is a statement which has been made time and time again by responsible authorities, and I am sure we are all in complete agreement with it. If under our economy we prevent the ordinary workman from purchasing a home, then we work against not only the economy of our nation but the morale of our workers upon whom we must depend for our growth.

In that regard I think the statement made by the hon. member for Eglinton, but which was not elaborated, bears some examination. The hon. member made reference to municipal taxation. A great part of the heavy cost of new homes is due to the cost of servicing land which is carved out of areas formerly suburban or rural in character. When either by annexation or by agreement with adjoining municipalities a particular municipality seeks to make serviced land out of what has been unserviced land it immediately runs into extremely heavy costs. In this connection I can think of no better example than a project under way on the mountain in Hamilton where a trunk sewer costing several million dollars is being installed, a large proportion of the cost being borne by the taxpayers of Hamilton in order to provide services for land which within the past few years has been annexed to the city, some of it this year. This particular land could not be serviced in any form until the trunk sewer was put through.

In addition to the servicing cost which finds its way into the taxes paid by the home owner who benefits, a proportion of this cost must also be borne by the whole municipality. The result is that there is placed upon the real estate of the city the burden of paying part of the cost of providing services to new areas which are annexed to rapidly growing municipalities.

Until that situation can be rectified there is little hope of solving the housing situation in Canada. To me this constitutes the greatest deterrent to home ownership in this country