

## GOVERNMENT ORDERS

[English]

### NATIONAL HOUSING ACT

#### AMENDMENTS TO AMOUNT OF INSURED LOANS TO INCREASE CAPITAL OF CORPORATION, ETC.

The House resumed consideration of the motion of Mr. Danson that Bill C-46 to amend the National Housing Act, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

**Mr. Lincoln M. Alexander (Hamilton West):** Madam Speaker, when the business of the House was interrupted at five o'clock I was discussing with the minister, through you, what I thought of his bill, and how disappointed I was, knowing that the minister comes from an urban area, that he had shown such a lack of imagination, innovation and creativity.

The other day I read an article which appeared in the *Hamilton Spectator* written by Mr. Guy Demarino. He was concerned, as indicated by the headline, with "A palace at cottage prices". He was asking the minister at that time if perhaps it was time to take another approach to the whole housing program inasmuch as Canadian people were expecting more in terms of standard housing. Let me quote from the article which states:

He concedes that he likes 'the Canadian dream.' A single, four-bedroom, two-bathroom, plus garage and recreation room, fully serviced house on a well treed lot. But those standards are too high, he said, in a recent interview and added: "We can't continue to afford the dream."

What I am stating is that the minister has indicated that Canadians cannot afford the dream, but by Bill C-46 he continues to allow them to dream. He knows the cost of housing is beyond the reach of that vast majority of Canadians who need affordable housing. We are not talking about the affluent who can afford homes valued at \$60,000 or \$110,000; we are talking about those who need accommodation. Yet knowing that the dream cannot be fulfilled the minister comes to this House with Bill C-46 that perpetuates this dream.

This is a sorry state of affairs so far as the vast majority of Canadians is concerned. They not only want housing, they need accommodation in order to offset the present environmental malaise. Like the Trudeau government, housing costs are running out of control in this country. The Trudeau government, by its lack of policy and direction, and by its excuses instead of making effective a new deal to lower prices including the cost of land, is primarily responsible for creating the housing problems we face today. In spite of the fact that the lack of housing is one of the most pressing problems facing the majority of Canadians, the federal government has done little toward reducing the cost or providing adequate shelter at prices which those who need shelter can afford.

Among other things this legislation is designed to solicit private capital investment to come into federal housing programs. In the current inflationary context the proposals contained in the legislation will do little toward alleviating the ever increasing costs of obtaining and maintaining a home. It is becoming increasingly more evident that government programs designed to assist home ownership are doomed to failure in the context of

### *National Housing Act*

the over-all federal economic strategy. I should like to give you some examples of this.

Let me refer to an article which appeared in the *Globe and Mail* on January 18, 1975. At that time the minister was involved in pursuing Arab oil money for the financing of housing. In his wisdom he indicated that one of the better programs he had introduced earlier, the mortgage financing bill, had failed. Perhaps I should not go that far, but let me read from this article in the January 18 issue of the *Globe and Mail* as follows:

A Government mortgage financing bill creating mortgage investment corporations was approved 18 months ago. But Mr. Danson said he feels not enough of them have been set up.

Only six mortgage investment corporations have been licensed to create pools of mortgage money under the legislation, Finance Department sources say. Only one of these companies now is operating.

I hope that company is in Hamilton. This goes to show that the minister has avoided the most important issue, and that is that the economic climate will not allow his housing programs to be successful. I suggest they are all facing failure. The minister has conveniently forgotten increases in the cost of available land, increases in the cost of labour, and increases in the cost of building material, all of which have risen to astronomical heights in the last few years. All of these things bring into serious doubt the effectiveness of any housing program in the absence of any inflationary policy under federal initiative. That is my main point.

There can be no success in respect of any of the minister's programs for housing until such time as this contingency plan we have heard so much about is produced, providing leadership in the government's effort to wrestle inflation to the ground. What does the minister say about the Canadian economic climate?

● (2010)

The minister thinks this bill of his is going to attract money from the private sector. I want to refer to the *Globe and Mail* again, that newspaper which tells nothing but the truth, which is able to discern facts and offer solutions, and quote ministers correctly. I would just state that the minister was reported in this same article as saying that:

There are other funds around the world that are looking for a country with a good economy and a good track record and Canada becomes a feasible place, . . .

The minister must be kidding when he says something like that because he knows the economic climate created and perpetuated by the government has been disastrous for the housing industry. In short it has suffered.

Let me give the minister some facts. I am also interested in the minister's stating how great AHOP is and what his housing programs are doing in terms of bringing housing to people at a reasonable cost, yet the latest issue of *Infomat*, a weekly Statistics Canada bulletin, shows that there is something wrong in this country. This is contrary to what the minister states because the housing starts have not been there. One of the paragraphs which is certainly very significant, and which has been mentioned by other members, states:

For the first eleven months of 1974 housing starts in urban centres totalled 160,079 units, down 17.6% from January-November 1973.