

Housing

way the government operates. We can appreciate that it is part of the pattern. I will get back to the hon. member immediately.

The Acting Speaker (Mr. Blaker): The Chair has been apprised that there will be a few moments today while the proposal put forward by the hon. member for London East (Mr. Turner) is considered.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, Canadians are hurting. This nation is crying. The Canadian people are crying in frustration, anger, fear and, unfortunately, in too many cases with despondency. According to a Gallup poll, one of the most basic desires of about 95 per cent of us, we in this House and the people we represent, is that we, at some time, in some way, in our lifetime, might be able to have a detached house, standing strong and independent on a good sized lot. That is what the dream is. That is in fact a reality for almost 60 per cent of Canadians, but the dream has been shattered for the other 40 per cent who have come to expect that if they do not own the roof over their heads right now, the opportunity has gone and the dream will never be fulfilled. That applies to just the 40 per cent who do not own homes now, but who would like to.

● (2100)

However, they are not in as bad shape, Mr. Speaker, as the 1,200,000 Canadians who thought they had realized their dream and now find, as a result of mortgage renewals, that it has become a nightmare of lost savings, lost equity, and mortgage payments they cannot possibly meet.

In 1965 one out of every two Canadians could afford to buy a house and carry the mortgage for 30 per cent of their income. I was fortunate in 1965 to be one of those, but what about the 1,200,000 who bought in the last one, two, or three years? Well, that has now changed. Instead of one out of two, right now in Vancouver only one out of 43 tenants who want to or could have afforded to buy a home can qualify. That is a drop from one out of two down to one out of 43; in other words, almost none, Mr. Speaker. Those are people who have had their dreams dashed.

When you think about those few who can qualify, you might wonder why they would want to, because having qualified they would find out, if it was in the lower mainland of British Columbia, their gas rates would have increased by an average of 95 per cent this year. Their taxes would have doubled along with their assessments.

I live in the fastest growing part of Canada and I represent that suburban fringe where those one, two and three-year mortgage renewals are coming due. A lot of those 1,200,000 people are in my riding. I know about the problems because I hear about them from my constituents. These are the people who are really in trouble. Many of these people are not just in dire straits. As a result of the government's policies they are far beyond that, to the point of giving up.

Let me give you a typical example. Eighteen months ago a family in the greater Vancouver area earning \$42,000 saved \$30,000. That is not easy to do, Mr. Speaker. The average

person must have a down payment of at least \$30,000 to get into the average home in Vancouver. The person could make that down payment on a medium-priced house for which he would pay \$150,000. Eighteen months ago he could get a mortgage at 12 per cent, resulting in mortgage payments of \$1,300. That is a pretty heavy payment. It took all his savings to make the down payment and in fact the wife had to work in order to make that payment of \$1,300. Perhaps, they had a little help from their parents and they planned to do without holidays for the next few years. This spring, on renewal of the two-year mortgage, the payment will jump from \$1,300 to \$2,100. They will have to find \$800 a month, Mr. Speaker, to keep their home. Is there any member of this House who can pull \$800 a month out of his salary? Perhaps Mr. MacEachen could, but we could not, and our salaries are a lot better than the \$42,000 this man is making. This is sad, it is terribly tragic when you are in that position. There are hundreds of people like that and I am going to read you some of their letters in a minute.

To add insult to injury, the same house 18 months later is only worth \$120,000. Their savings of \$30,000 is gone and what do they have in exchange? They have a payment which has gone from \$1,300 a month to \$2,100 a month, which they cannot possibly pay. They have a 95 per cent increase in their gas rates, taxes are up, the cost of living is up and inflation is 12 per cent. Where are they? They are lost because they cannot keep up, and they do not know what to do.

You might say: Well, sell your house. They have no equity left, and they cannot sell at a loss. Even if they could sell no one can qualify to buy the house. Suppose they could sell it, where are they going to live? In Langley, in my riding, people come to my office who cannot find a place to stay. There is a zero vacancy rate—not next year, Mr. Speaker, but right now. We have a zero vacancy rate and everything is at a standstill. We have land, we have space, area for growth and we have sewers in place. Now small businesses are going bankrupt at the rate of 2,500 a month. They cannot afford to go to the bank at 20 per cent, 24 per cent or 26 per cent to build a house. As a result there are no small builders building houses. They cannot afford the risks involved, assuming they have the credit to borrow at 20 per cent, because they do not want to lose everything they have.

The people in my riding, Mr. Speaker, are not statistics. These 1,200,000 people renewing their mortgages are human beings; they are you, me, our brothers, sisters, aunts, uncles, cousins—they are our constituents.

An hon. Member: Flesh and blood.

Mr. Wenman: The people who wrote me these letters are real people, educated people, and they are very serious letters. This letter thanks the minister responsible for housing for his marvellous response, and it says:

In your letter, you indicate that the government is committed to budgetary restraint and therefore can not subsidize mortgage rates. We are pleased to hear that the government is trying to reduce non-productive spending, however, your government did not follow this policy for a number of years and we taxpayers are now obliged to pay off the national debt and suffer high interest rates. Until the