

any way and, in fact, I am glad that the Government has finally realized there is an unemployment problem in this country and is taking effective steps to resolve it to a certain degree. I only hope this legislation is not too much of an artificial stimulus, and that we do not go ahead too fast with the building of houses.

As I have moved around recently in various cities I have noticed more "For Sale" signs in front of private residences and in real estate office windows than I have seen for many years. Last week I read an article in the *Toronto Globe and Mail* headed "Office Space Surplus Predicted Until 1965." It was written as a result of a survey and, in part, reads:

The survey found 1,350,000 square feet of Toronto's office space vacant. This represents 15.4 per cent of the 8,800,000 square feet of the competitive office space supply. A 5 per cent vacancy rate is considered normal.

Further on the article reads:

The Montreal and Canadian stock exchange, which will move to a projected skyscraper complex in Montreal, turned down an offer on behalf of Webb and Knapp (Canada) Ltd. for free rental for 50 years in the Royal Bank building.

In order to have the space taken up the owners offered the Montreal and Canadian stock exchange free rental for 50 years. I suppose, of course, the owners thought this would attract other businesses; nevertheless, that is the condition prevailing in connection with office space at the present time.

Honourable senators, I believe there is good reason why more houses are for sale today than there have been for many years. The fact is that you can purchase a new house under the National Housing Act with a much smaller initial payment than you can buy an older home. I have in my hand an advertisement which appears in the *Brantford Expositor*. It says that a prospective purchaser can buy a house worth \$12,400 by making a down payment of only \$670. It can be readily understood why a prospective purchaser would buy a house of that value, instead of buying one from someone who had bought it say four or five years ago, and had an equity in it of \$2,000 or \$3,000, for he would then have to make a down payment of \$2,000 or \$3,000 instead of \$670. I am rather fearful that a great many houses will become for sale, and that we shall find people wanting to move from their present houses in order to build bigger houses, or to move to another locality or a different city,

but will not be able to sell their houses because they have such a large equity in them compared to the small down payment required under the National Housing Act.

While I am on the subject, I think I should refer to the fact that the first payment is the most attractive feature in connection with the buying of a house. I have another excerpt from the *Toronto Globe and Mail*, and I think honourable senators will be astounded at the figures given: An \$800 down payment is needed under the National Housing Act to purchase a \$15,000 house. The monthly mortgage payments, including mortgage insurance fee will amount to \$97.97. By adding \$700 a year—that is, \$58.30 monthly for taxes and maintenance costs—the total monthly payments will amount to \$156.30. By 1986 these payments will have amounted to \$46,890 to pay for and maintain the \$15,000 house. So, honourable senators, a purchaser, or a prospective builder, undertaking to build a \$15,000 house, can easily get started with \$800, but over the years he is going to spend \$46,890 to pay for and maintain it.

Honourable senators, there is a disturbing feature about this act which gives me considerable concern. The honourable senator from Saskatoon (Hon. Mr. Hnatyshyn) stated that in the first seven months of this year contract awards in connection with business construction declined 10 per cent; in industrial construction, 15 per cent; in engineering, 25 per cent. Residential construction contracts increased in the same period 30 per cent. So while building construction in business, industrial and engineering projects was in a decline, at the same time house building was going up. I say that is a question to which we should give our serious attention, because while we may be creating employment at the present time, I think there will be a duty upon us to do all we can to keep up business, industrial and engineering construction so that people who take on these contracts will be able to carry them out.

Another matter which has given me considerable concern was brought to my attention in a speech made quite recently by Norman Campbell, who pointed out that from 1954 to 1961 housing starts averaged 128,000 a year, while during the same period family formations averaged only 75,000 a year. Thus there has been considerably more new housing in proportion to the number of new family formations. At the same time, honourable senators will notice that immigration has dropped. That is due to many causes, primarily higher wages and conditions abroad. However, that leaves us in this position, that there are fewer families being established in