

*National Housing Act*

and more evident that such price increases are the result of an inadequate supply of serviced land, not only in my area and not only in the Toronto centred region but in most of the urban areas across Canada.

The time has come, Mr. Speaker, for an all-out attack on such rising land costs. I believe every Canadian should be able to realistically anticipate that he will own his own home some day. Under the present Trudeau government, however, in the last ten years it has become harder and harder for Canadians to have this anticipation. When the hon. member for York West referred to a massive attack on this problem, I think he should have told the House where the massive attack is in Bill C-133.

I have mentioned that housing prices have risen by approximately 100 per cent in 12 years since 1961. As we know, every month we get new cost of living figures which indicate that the actual cost of living has increased by about 50 per cent since 1961. House prices in my area are double that. This rising price of housing, however, is only part of the tragedy and this is what I should like to emphasize today.

In 1961, the NHA mortgage on the average home in my area was \$13,125 and in that year it carried a 6½ per cent interest rate on a 25 year amortization; a man could anticipate paying off his entire debt and having a debt free home with a total outlay of \$26,970. Today, however, his average mortgage principle would be nearly \$30,000 with a current NHA interest rate of 9 per cent. Based on a 25 year amortization he would now be required to pay \$74,000 to get a debt free home under the Trudeau government.

In 1961, a person could buy the home that I have referred to with a down payment of \$4,243; today his down payment would be something in the neighbourhood of \$7,000. Including financing, to own a home today which you hope to pay off within 25 years, requires an outlay of \$81,000 compared to \$31,000 in 1961. That is a \$50,000 jump in 12 years, Mr. Speaker, a 260 per cent increase. There has to be a better answer, Mr. Speaker, and I suggest to this House that Bill C-133 is not that better answer.

**Some hon. Members:** Hear, hear!

**Mr. Stevens:** When the hon. minister introduced his bill I was dismayed to read his references to the problems that we have been touching upon, that is, serviced land. Obviously the minister is well aware that it is a problem but if we refer to *Hansard* we will find that virtually all he is saying is; "It is a problem. We intend to study it. We are going to have conferences and trilevel meetings and we hope that we can come up with solutions." That is not good enough, Mr. Speaker. This government has had ten years to come up with some concrete plans on what it intends to do to relieve the situation. For the hon. Minister to stand in this House with this fiddling bill and suggest that it is something that he hopes to get passed and in the meantime there will be conferences and studies in the future to solve the bigger problem, is the wrong order in my view.

We know, for example, that there will be approximately 13 million more people living in this country by the year 2000. In the United States there have been various propos-

[Mr. Stevens.]

als for coping with the new population that they expect to have in the same period. An interesting article by Robert S. DeVoy appears in the winter 1973 issue of *Real Estate Review*. The writer is an adviser to the Department of Housing and Urban Development in the United States and I would strongly recommend that the minister and his staff read this article. It discusses new communities and how they may be profitable. Interestingly, it points out:

Capital investment in new community development probably approximates \$15,000 per person for land, land improvements, utilities, streets, public facilities, housing, commercial and industrial facilities and related appliances, machinery, furniture and equipment (exclusive of automobiles and other vehicles). Land and buildings account for at least \$10,000 of this total investment.

The remaining \$5,000 is taken up literally by getting the land to a point where it may be built upon. If you relate that to the Canadian situation, it is not hard to see that, on average, between now and the year 2000, if we are to house properly the 13 million people by which our population will increase, it will be necessary to spend approximately \$5,000 per person. This amount will simply look after the various transportation services and other services necessary to put people into the position where they can build on their lots. In Canada that means that we are contemplating an annual expenditure for such services of approximately \$2.5 billion. I think it is high time that the federal government accepted this large responsibility and told the provincial and municipal governments how it will help them finance the \$2.5 billion outlay which will be needed, on average, every year up to the year 2000 if we are to provide the various services needed to put lots in Canada in a serviced condition.

• (1620)

In this bill there is only one reference to the type of thing to which I refer. Amounts available for sewage treatment plants will be increased from \$200 million to \$300 million. That is an increase of \$100 million. What a drop in the bucket, compared with the total needs of this country for solving this problem. We should bear in mind that the government, through its inactivity, has been creating a pressure on land values in this country that is resulting in virtually unbearable mortgage loads for most people. It is interesting to note that a psychiatrist from the University of Washington in Seattle has drawn up what he calls a stress scale. He has listed various items of stress that people must meet, and has devised an index which shows how the various stress components affect people. One of the lowest forms of stress, he points out, is having a mortgage of under \$10,000. At that point in the hundred point stress scale the stress factor is 17. It is interesting to note that if the mortgage goes up to \$30,000, the stress factor increases by more than three times. A mortgage that is greater than \$30,000 represents one of the highest stresses that any man must cope with in his day-to-day life. Now we have \$30,000 NHA mortgages on average houses.

The minister's speech on this bill, I feel, is perhaps more interesting in what he did not say than in what he said. You will find in the bill that there is reference to increasing the amount of mortgages that may be insured by the corporation and also to the amount of money the corporation may borrow. It is intended to increase the amount