

Housing Prices

This led to direct confrontation between the different levels of government instead of an understanding to solve once and for all the housing problem in Canada. There are various points to which we could refer regarding this problem.

For instance, my distinguished friend, the hon. member for Broadview (Mr. Gilbert), was saying that at the present rate of interest, a 30-year old family man who contemplates buying a house on a 40-year instalment plan will have to pay three or four times the value of his house. It is true, as is evidenced by the fact that according to statistics or accountants' studies, a \$25,000 house built this year will cost \$94,000—almost four times the value—40 years from now. If the man who borrows and spreads his payments over 40 years is now 30 or 40 years old, this means he will finally own his house when he is 70 or 80 years old. Who is going to become a home owner at that time? Do you think that people can afford to go on making monthly payments of \$150, \$160, or \$175 after they have reached the age of 60 or 65? It is inconceivable! When will Canadians become homeowners?

Under the present system it is a physical and mathematical impossibility. It would be possible physically, considering the availability of materials, of labour, and of engineering. We know we have all that, but what we lack is credit, which is not adapted to physical possibilities.

The hon. member for Broadview suggested earlier that the interest rate should never exceed 6 per cent. But even at 6 per cent, a person will still pay twice as much as his house is worth. It is intolerable to have to pay double the value of one's house; at 6 per cent interest, a \$25,000 house will have cost \$55,000 after 40 years—\$30,000 in interest and \$25,000 in capital. The borrower will make payments which he may not be able to keep up from the time he reaches 55 years of age, not 60 or 65.

I feel, Mr. Speaker, that to encourage people to become owners at the age of 75 or 80 is to fool Canadian consumers, those very people who need housing, who do not ask for a lot, who do not ask for the impossible, but who quite simply ask that the huge resources of Canada be used to serve Canadians.

Many factors contribute to the high price of housing as well as the high monthly instalments. The famous 11 per cent sales tax on building materials whose removal has been advocated for many years is not likely to help the buyer of a new home. The provincial tax is added to the federal tax because nowadays taxes are taxed; the 11 per cent federal tax in Quebec is taxed at an 8 per cent rate by the province of Quebec. Therefore, we have reached a point where we have to pay taxes on taxes. That surely does not help lower the excessive cost of building materials and housing. All companies are quite aware of such things.

I shall deal now with another aspect: building defects in houses, as mentioned a while ago. They are so obvious that we often wonder whether the Central Mortgage and Housing Corporation or the department officials are not more interested in granting contracts to housing contractors than in providing homes for those who need them. That is quite true.

[Mr. Caouette.]

• (1430)

We know that the Central Mortgage and Housing Corporation has paid in full contractors who had built houses, and barely three or four months later the foundations became defective, walls begin to sag and floors to warp. That happens everywhere, and the minister is aware of it. Are the inspectors not discharging their duties? Are they waiting for the contractors to tell them? Do builders contribute to the party's electoral fund? I do not know, but something is wrong, Mr. Speaker, because some houses are really in very poor condition after two or three years of occupancy.

In my opinion, the Central Mortgage and Housing Corporation or the department should take the necessary steps to ensure that serious inspections are being made during the construction of houses. I congratulate the minister on that score. Last year, for instance, more attention was paid than usual to single-unit dwellings. That pleases me tremendously because, we, of the Social Credit party, feel that there is enough space in Canada for every family to live in its own home, instead of 30-floor buildings, where families with five, six or seven children live on the 30th floor, go up and down elevators, deprived of their own yard in which to play, in a complex of hundreds of dwellings. Those buildings resemble chicken coops more than healthy dwellings.

In the Laurentians, the Eastern townships, barely 20 miles out of Quebec, Toronto, Montreal and Hull, vast expanses of land could be used to build nice little homes for Canadian families.

Recently, I was in the Dehli, St. Thomas and St. Catharines area in Ontario; I saw vast stretches of land where the construction of single-family dwellings could be promoted.

The conditions are the same in western Canada; when you arrive in the Prairies you realize that there is no lack of land. It is therefore not a question of space. We have enough space in Canada to accommodate 500 million people and we only have 21 million inhabitants; that means that we have ample space to provide housing for everybody.

I am really sorry to see people who would rather live outside large cities, because it is healthier and promotes social life, stuck in chicken coops along St. Catherine and Ontario streets, in the south or east end of Montreal, while there are numerous places where these people could settle, till a garden, raise their children in peace, what they cannot do in large cities.

Mr. Speaker, I may not be there anymore, but I know that in a few years, an honest and enterprising government will have to face this task of clearing the big cities a little bit, so as to enable people to live, not in polluted but clean air, in areas where pollution has not yet caused any damage as in Montreal, Toronto, Vancouver, Winnipeg, Edmonton, etc. Let us call it a kind of return to the countryside, not as in Vautrin's days—a kind of return to an acceptable life, close to nature. Mr. Speaker, I see the hon. member for Gaspé (Mr. Cyr), who must indeed be happy to go home to the Gaspé peninsula for the weekend and breathe the sea air whereas in Ottawa, if I am driving behind him I have to breathe the carbon monox-