

Supply—Labour

requires that federal, provincial and municipal governments work together in closest cooperation in order to provide the long-range planning which is necessary to supply the services to meet a greatly enlarged housing program.

We all know perfectly well that in Toronto there are no serviced housing lots available at a price much less than \$12,000 per lot. We also know that in some of the municipalities surrounding the city of Toronto the problem is that the town councils would like to see more apartment buildings erected within their boundaries, not individual homes. The reason for this is very simple. More schools are required and the municipalities need money to pay the teachers; yet the major tax base is in the city of Toronto. This is true in every large metropolitan area in the country. There must therefore be joint planning and a joint course of action by the three levels of government, federal, provincial and municipal. This is necessary in order to provide for the arterial roads that are needed, serviced lands, schools, churches, shopping facilities and all the other pieces that go to make up our urban fabric.

● (3:40 p.m.)

As I said at the outset, I welcome wholeheartedly this debate because it gives me an opportunity to invite not just criticism—I welcome it and no one should be in public life if he is not prepared to take it; you have to have broad shoulders and take it with a smile—but constructive suggestions from hon. members directed toward a solution of this problem of major national importance. Criticism is relatively easy for partisan politicians, but we want helpful suggestions.

I do not want hon. members to think that this housing problem has not been given a great deal of thought by me and by others. Suggestions have been made by members of the house and representations were made in the first three months of this year while I was visiting the different cities in all parts of Canada that real encouragement would be given to home ownership if the interest portion of mortgage payments, were deductible for income tax purposes. There is nothing new about that. I understand that it was most successful in Germany in the years subsequent to 1948. It has also been suggested to me that speculation in land holdings may be reduced if a capital gains tax or some other technique were used to prevent excessive profits in the disposal of land held for speculation. There are cases where lots were acquired for \$1,200 or \$1,500 and after sitting

there for 10 or 15 years or so are now worth \$12,000 or \$14,000. Municipalities and provinces are deeply involved in this kind of suggestion, but two of the provinces actually collect income taxes. This type of suggestion deserves very serious consideration but it could not be put into operation without the consent of the provinces.

There are other factors affecting the production and cost of housing which involve the municipalities and provinces in a very real way. It is partly for these reasons that I made a suggestion to the Prime Minister—others may have made it but I know I did some time ago—that some form of federal-provincial discussion take place to enable urban development in Canada to keep pace with requirements in a realistic and practical way. Unfortunately, with three provincial elections going on we are not likely to have this in the next six or eight weeks, I am convinced, however, that such a conference should be held and it should be held this fall if possible. At least it should be held early in the new year if not before the end of this year.

Housing is an area in which all of us regardless of party affiliation share a common concern. Let us have constructive criticism and constructive suggestions during today's debate.

Mr. Chatterton: Mr. Chairman, may I ask a question of the minister? In view of the small amount of usage with regard to the loans for existing housing is the minister considering an increase in the amount?

Mr. Nicholson: It is under constant review. I might say that as yet the applications we have received for loans do not indicate that there should be an increase in the level of the ceiling. They are coming in now at the rate of about 600 or so a month. The average loan is less than \$9,000. There are hundreds, literally tens of thousands, of houses in the Atlantic region, Ontario, Quebec and the prairie provinces where home owners can move to advantage at the present level. We are trying to allocate the amount of money available to help the largest number of people rather than limit the number. Until the program has been in force for at least a number of months, I think it would be unwise to change the ceiling. However, this ceiling is constantly under study.

Mr. Scott (Danforth): I believe the minister said that the average amount of the loans is approximately \$9,000.

Mr. Nicholson: For older houses, yes