

Discussion on Housing

city of Ottawa was a very impressive, very luxurious hotel just a couple of blocks from here, the Skyline Hotel. I am not an expert on building but I am satisfied that the money it cost to build the Skyline Hotel, if it had been used to build houses, could have provided at least 1,500 houses in Ottawa. I say to the minister and to all hon. members that that is the kind of choice we shall have to make if we really want to have houses. Do we need a hotel more than we need 1,500 homes? My answer is very simple. I think we need the houses much more than we need the hotel and I believe that the government, in co-operation with the provincial governments, in co-operation with the lending agencies and working with the Bank of Canada, should be saying this to the construction industry.

• (4:00 p.m.)

We should be setting priorities. Until we do so it is just nonsense to think we are going to meet the housing needs and build anywhere near the number of houses required. Up until this year we have followed a simple policy in regard to housing, a policy which one of the people who administer a public housing project in the city of Toronto some years ago called a policy of socialism for the rich and free enterprise for the poor. We have used legislation and government guarantees to assure lending agencies that those in the middle and upper income brackets who borrow money on mortgages are safe risks. The government guaranteed the mortgage companies that they would not lose money. For the low income people, for those with large families, we have done virtually nothing. There are about 50,000 public housing units in Canada and there ought to be 500,000 or more. By raising the interest rate to 8½ per cent the minister in effect says, "We will not help to finance houses for those with middle incomes."

In Toronto a man must earn over \$8,000 a year to qualify for a mortgage loan under the present government regulations. In Winnipeg, the city from which I come, that figure is \$6,500. The Minister of Labour ought to know that most workers in Winnipeg do not make \$6,500. The minister has frozen out the bulk of the Canadian people.

Even if we build the 170,000 houses which the Economic Council has said we need—and I submit that we will not—even if we build in the next couple of years the 190,000 houses a year which will be needed, we shall be building for precisely those who need assistance least. We shall be building for those who can manage best on their own. That is the

effect of the minister's action. The hon. member for Antigonish-Guysborough who spoke before me quoted something from the Bible which ought to be applied to this government and its housing policy—to those who have, shall be given. That is precisely this government's housing policy.

To solve the housing crisis the government should adopt a system of priorities. It should tell the builders and speculators that we can do without some luxury hotels and without the constant proliferation of supermarkets, that the materials and manpower for such projects which have been projected for the next two years can better be used in building housing. That is what the government should say.

If the minister will not listen to that kind of drastic proposal—I am sure he will not because he is a great admirer of the free enterprise market system which he thinks will solve the housing problem—he should listen at least to the proposals of the *Toronto Star*. That newspaper proposes that the government should absorb about 3 per cent of the interest rate charged against mortgages. It says that if the government were to pump \$300 million extra into housing the subsidy would amount to just about \$9 million a year. I suggest to the official opposition, which was concerned about government expenditure, and I suggest to the Minister of Labour that the \$9 million would be well spent. It would help to provide houses for hundreds of thousands of those who are not in the low income bracket and do not need public housing or subsidized housing but could afford their own houses if the stupid policies which this government has permitted to grow were done away with. In an editorial last Friday the *Toronto Star* said: "We subsidize coal—why not housing?" The minister ought to explain why the government of Canada or the people of Canada cannot afford to subsidize housing, one of the basic needs of our people.

I said I would mention some policies which we think ought to be adopted.

Mr. Forrestall: The hon. member needs some ideas on the subject.

Mr. Orlikow: In the light of the contributions of the official opposition in the last two days I think it would be best for the hon. member for Halifax not to interject such remarks. I submit that the official opposition have already demonstrated sufficiently their ignorance and stupidity.