

*Request for Housing Statement*

into the decision-making process. Where does the National Housebuilders' Association maintain its headquarters? In Toronto! It should be here in Ottawa where officers of the association could be in daily contact with government and its officials and be in a position to influence government policy rather than just react to it. Likewise, I charge the real estate fraternity of this country with not making its problems more apparent to the government. There can be no denying that some of the blame for the housing situation today lies with the real estate people themselves.

The housing crisis cannot be viewed in isolation from the sum of the problems plaguing our cities. It is an integral part of the urban dilemma which can be solved only within a unified framework. We must—I repeat, must—establish a department of urban affairs. For too long we have developed piecemeal programs with little or no understanding of how each would affect the other. We have failed to recognize the basic fact that our urban environment is a complex system constantly interacting with itself.

We have failed to come to grips with the concept of the urban unit and how that total unit will react to new programs and developments. We have, in fact, proceeded as if we were operating in a vacuum. Housing problems have been tackled as if the urban context were irrelevant. This kind of thinking, or perhaps I should say lack of thinking, cannot go on if we value our existence as an urban society. A department of urban affairs would serve to develop and co-ordinate urban policy, and the minister in charge of this department would then be in a position to see that programs affecting our urban areas produce harmony rather than conflict, gardens rather than ghettos.

Surely, if the problems of agriculture require the attention of two full-time ministers and the fiscal operation of this country demands the efforts of two cabinet members, then the problems of urban Canada in which 70 per cent of our people now live and in which 85 per cent will live in the year 2000 are worthy of the attention of a full ministry. And, Mr. Speaker, if I may make a suggestion to the Prime Minister (Mr. Trudeau), the Minister without Portfolio, the hon. member for Port Arthur (Mr. Andras), would be an excellent choice for minister of urban affairs.

I have some further suggestions for government action now. I believe the government should announce for this fall a large mort-

gage commitment for medium and low priced houses and condominium development. This mortgage money should be made available at a rate of no more than 8 per cent. This action would have the effect of lowering competitive interest rates without subsidization and would at the same time reduce unemployment in the construction trades. As hon. members may know, 40 per cent of the cost of a house is on-site labour. The great rush of housing starts which would result from a program such as I am proposing would not only serve to improve the housing stock for middle income Canadians, but would have a very significant and beneficial effect on the unemployment situation.

Further, the government must bring extreme pressure on the banks of Canada to meet the challenge of the housing crisis. But how have these institutions responded to date? They have upped interest rates and they have tightened conditions borrowers must meet. The conventional insurance lenders have gone even further; they are demanding exorbitant equity positions, thus increasing their own profits. This is of no help in meeting the housing crisis. The government must demand that these offenders adjust their policies in order to meet the challenge.

The federal government must also consider offsetting the effects of the white paper on tax reform, which has created a marked decrease in large apartment projects. The white paper suggests the elimination of some depreciation benefits, has created uncertainty in the building profession and has retarded building construction. Provincial governments must also examine their programs; their restriction against large funds in estate trusts entering the mortgage market is unforgivable. The third level of government in Canada, the cities and municipalities, continue to restrict construction by lack of planning, restrictive building by-laws and lack of adequate zoning.

At this point I should like to comment on the suggestion made earlier by the hon. member for Broadview (Mr. Gilbert). He suggested that the government make available mortgage funds at an interest rate of 6 per cent. I point out that this is a 100 per cent increase over the figure used in the election platform of this party in 1968. At that time, NDP candidates went into the field and suggested a rate of 3 per cent for all Central Mortgage and Housing Corporation mortgages. I suggest to the hon. members of the New Democratic party that since their 1968