

*Business of Supply*

\$47,485.25. In other words, you will have noted, I am sure, the amount repayable over that 35-year term at 6 per cent would be \$20,000 in principal and \$27,485.25 in interest.

Let us see what a long-term mortgage would be at the cost of borrowing money today, and I have in mind about 9½ per cent. A mortgage for \$20,000 at 9½ per cent over a period of 35 years would cost \$161.57 per month or a total over the 35 years of \$67,859.40.

• (5:30 p.m.)

In other words, the amount paid, would be the principal, \$20,000, and \$47,859.40 in interest, or more than twice as much as the principal. Unless these figures are examined we may picture this plan as the smooth and easy way out of the housing shortage in Canada. I suggest that to assume an interest burden at least twice the principal burden is getting into a realm of financing that is almost unconscionable.

We are sorry that the minister has not brought in more proposals at the present time. I think there would be a disposition to give the green light and an accelerated consideration to proposals on housing. I do not think anyone in the official opposition or in any party in the house quarrels with that, but in the light of the interest created by the minister's housing report we are prepared to get our teeth into the changes to the National Housing Act very quickly.

Certainly, the real problems will multiply and will be aggravated the longer we put off consideration of these changes. These are the problems of the low income groups. The other problems are not as acute, but the poor or those with lower incomes are people to whom inflation makes home owning that much less of a possibility. This is what we should set ourselves to do at once.

I think the one dollar items are of uncertain practical significance and I do not suppose anyone will know, unless the minister can spell out for us, how much it is proposed to advance for direct lending in the next 12 months; how much it is proposed to use for student housing in that period; what kind of picture the private lenders have indicated; and what kind of forecast the Central Mortgage and Housing Corporation is making in home improvement for the next 12 months. One dollar for each of these fields does not tell us anything, and yet I think our purpose is to see whether the housing program of the government is adequate. I hope the minister

[Mr. McCleave.]

will take the opportunity to tell us exactly what he proposes to do.

**Mr. Brewin:** Mr. Chairman, we are very glad to have this opportunity to discuss the most urgent problem facing most Canadians, namely the question of housing. If there is one thing on which we can all agree it is that the skyrocketing mortgage interest rates and the uncontrolled escalation of rents are imposing very real hardships on innumerable Canadians. The task force itself said:

Housing and urban development are an urgent priority for the people of Canada and must be treated as such by their elected representatives at all levels.

The major element in the rising cost of living is housing and it is imposing an unbearable burden on Canadians with small and fixed incomes. The Dominion Bureau of Statistics bulletin on price movements this year shows that 32 out of 100 points in the consumer price index are devoted to housing, and the increase from January of 1968 to January of 1969 in the cost of housing was 5 per cent. This is, therefore, by far the largest single item in the over-all increase in the cost of living.

It should be remembered that this increase does not apply evenly to the population as a whole. Its highest incidence is not on home owners with fixed interest rates on their mortgages; it is upon the poorest sections of the community that this burden falls. It is on the recently married couples seeking to find homes of their own; it is on the wage earners with large families who have to rent because they cannot afford to buy; it is on the old age pensioners on small fixed incomes who suddenly find their rent increased astronomically. It would be wrong to assume that the lower income groups are the only ones affected by the urgent housing crisis. The task force report itself says that the average wage earner who earns \$5,000 to \$7,000 a year has no hope of owning a home, that it is a dream and nothing but a dream. He has to scramble around in the uncontrolled rental market for inadequate accommodation.

There is indeed an urgent housing crisis. But this government seems to be taking its time, to put it mildly. The Minister of Transport tabled the report of the task force on housing and urban development in this house on January 29. It is now five weeks since that date. On January 29 he told the house that he intended very shortly, and these were his words, to place before the government recommendations on some of the matters arising