

equal basis with education and health care. To deprive a Canadian of the basic necessity of housing is to deprive him of a main element in life. I hope that the minister in charge of housing will rethink this bill and introduce legislation which will reflect federal responsibility in the field of housing. I hope he will direct that the moneys of Canadians will be used, at the lowest possible interest rate, to meet our housing needs.

Mr. Basford: On a point of order, Mr. Speaker, may I record that I believe there has been some discussion through the usual channels to the effect that if by chance, and only if, I had the opportunity of closing the debate this evening the taking of the vote would be deferred until the first order of business immediately after orders of the day tomorrow. I repeat that I believe that is the understanding through the usual channels, and I emphasize that it is only if I were to obtain the opportunity to close the debate tonight.

Mr. Deputy Speaker: Is it agreed that if there is to be a recorded division that it would take place immediately after orders of the day are called tomorrow?

Some hon. Members: Agreed.

[Translation]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, when listening to the speeches of the two members who spoke before me, we realize that the government is really in good hands. At one time, the members of the New Democratic Party submit to the minority government orders, at another time it is the Progressive Conservatives when they see that the New Democrats cannot do it. In any event, we can see that the situation has changed and this is probably comforting for the party in power.

When studying the explanatory notes of Bill C-135 we find that the main provision of this bill is intended to raise funds in sufficient quantities to grant mortgage loans to build family dwellings.

It would seem that what has been lacking in recent years is not so much the funds for new housing as the solvency of borrowers. We realize that the cost of both housing and living has been continuously increasing for several years. The price of materials has been rising steadily and we have reached a point where in most cases only a few wage earners can afford to borrow the necessary cash to build or buy a comfortable house, a house that meets the needs of their families. As a matter of fact, being unable to find a decent home we must limit the size of the family in order to house it in the small houses we have to build nowadays.

The main purpose of this bill is to gather the funds existing in private portfolios here and there in order to obtain a sufficient amount so that borrowers can be provided with the money they need.

At the present time, I am under the impression, unless there has recently been a change, that the funds offered by chartered banks, insurance companies or other lenders are not lacking. There seems to be enough, especially since the chartered banks are now interested in mortgage loans. We have come back to this system, especially since the amendment to the Bank Act was passed in 1966. At that time, I

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remember very well that our leader, the hon. member for Témiscamingue (Mr. Caouette), kept saying that this amendment would allow chartered banks to lend approximately \$4 billion more without having a penny more in their reserves; that was a nice gift for the chartered banks.

The report for 1967 revealed that the chartered banks then got interested in mortgage loans, and that in 1967 alone, they lent \$1.023 billion for the construction of houses. In short it was part of the new credit which the government at the time, under the new Bank Act, had allowed them to create and which they had made available to borrowers at the prevailing rate.

Since then, it has been realized that when the borrower could prove his solvency, it was not too difficult for him to obtain the necessary mortgage to build a house. However, what is still more important is that Bill C-133, which was implemented a few weeks ago, while enabling low wage earners to obtain loans, does not perhaps allow them to become really the owners of their house, but they are at least in the process of becoming so.

It is often said that one's automobile belongs to the finance company. Now in many cases, we live in a house standing in our name but which also belongs to a lending company. And when one undertakes to reimburse a mortgage over a period of 25, 30 or 35 years, it means a whole working life. As it is difficult to get a mortgage loan before the age of 25, it will be retirement age when the mortgage is reimbursed.

During a whole working life, it is difficult not to have bad luck at one moment or another, owing to either work stoppage or illness. Then it becomes rather difficult and annoying for the head of a family to be forced, during a whole working life, to reimburse the price of three or four houses to own only one. Thus, it would be important to find a means of reducing the interest rate.

I was listening a few moments ago to a discussion between the hon. member for Peel South (Mr. Blenkarn) and the hon. member for Broadview (Mr. Gilbert). One of them proposed an interest rate not over 6 per cent, whereas the other mentioned he should have proposed a much lower rate. As far as I am concerned, I can assert that the Social Credit, of which I have been a member for a long time, recommends the establishment of a rather low interest rate in order to enable the borrower to become owner of his house in a reasonable period of time, without having to pay for two or three houses to chartered banks or insurance companies. If we really stop to think out this housing problem, Mr. Speaker, we will find a solution.

● (1640)

There is another issue which surfaces once in a while. I should like to take this opportunity to mention it to Parliament and to the government: it is the 11 per cent federal sales tax on building materials and the 8 per cent provincial tax, in the province of Quebec, which is added on to the federal tax. This means that in Quebec, there is a tax on federal taxes. For instance, in the province of Quebec, the two levels of government collect between 21 and 22 per cent in taxes on all building materials. This is really too much, Mr. Speaker, and it is very costly, in taxes alone, to become a homeowner.