

indicated to the House that there are in Canada some 600,000 houses in bad repair. I do not question his figures, Mr. Speaker, but I think we should encourage housing up-grading policies. It is all very nice to talk about new housing, but Hon. Members are aware that rehabilitating and repairing some of these houses which are really worth it could often cost a lot less. There is no doubt that we are clearly in favour of a very special type of assistance for these particular areas. However, Mr. Speaker, we insist that we should ask the Provinces what they think and find out whether they could come to a consensus, which would be in keeping with our current political system. As a National Housing Act most directly affects the social climate, we have no other choice but to urge all provincial administrations to go along with this legislation which at any rate should bring about interesting results for the Canadian people.

Over the past few years, Mr. Speaker, the housing situation has been seriously impeded by two serious factors, namely, high costs and shortages. They have been the results of high interest rates and unemployment, as well as economic uncertainties. It is a known fact that when new housing units fall short of the demand, shortages occur.

Current population figures in Canada indicate that 210,000 housing units per year will be needed during the first part of this decade. However, residential building has been clearly below requirements in recent years—159,000 units were built in 1980; 178,000 in 1981; 126,000 in 1982; probably 163,000 in 1983 and almost the same number is forecast for 1984. This leaves us with a shortage 200,000 units.

Due to cost increases, it is no longer profitable to build new apartment buildings. In Ontario, to pay for a new building financed at current rates, the landlord would have to ask \$800 per month.

The Canadian Association of Housing and Renewal fears that in spite of increased assistance for the construction of rental accommodation provided in the last budget, the rent which the builder would have to charge to meet expenditures would be too high to remain a viable concern.

Economists generally believe that the desirable vacancy rate for rental housing is 3 per cent. Data on housing requirements were given in a 1981 review made by the Canada Mortgage and Housing Corporation. The term "a housing unit" applies to every kind of housing whether they are apartment buildings, detached or semi-detached houses, etc.

Data on vacancy rates deal with apartment buildings with 6 units or more in the private sector. The survey on vacancy rates by CMHC is made in April and October. The figures for April 1983 will be available at the end of May 1984.

High interest rates on mortgages had an impact on the price of housing in Canada. During the fourth quarter of 1983, the average sale price of a house in Canada was \$76,800. If we look at a 10 per cent down payment plus property taxes of

\$1,200—while bearing in mind that total payments for principal, interest and taxes should not exceed 30 per cent of gross income—Canadians now need a family income of \$36,200 to pay the average price for a home in Canada. In Toronto, Mr. Speaker, people need a family income of \$46,000 to be able to afford the average price of \$100,300, a home that in Vancouver would cost \$114,000 and thus require a family income of \$52,000.

Mortgage rates have dropped considerably since the fall of 1981, but this is cold comfort for people who were forced to sell their homes or are paying mortgage rates as high as 22 per cent. In fact, since the beginning of March, mortgage rates have increased 0.75 per cent.

The information on prices was provided by the Canadian Real Estate Association. The income figures are based on a twenty-year mortgage at 13.75 per cent. Figures for other locations are available on request.

Mr. Speaker, I have been trying to describe the kind of situation we are in at the present time and the hardship this represents for the Canadian people.

Once again, Mr. Speaker, the Government's proposal can certainly not be rejected out of hand. I have the impression, however, that the sooner this Bill is referred to the Standing Committee, the better, so that the Committee can make a thorough study of this legislation. In considering the Government's proposal, in committee, we shall be in a position to hear relevant comments from the construction industry, the homeowners association, and probably, I hope, from the provinces. During discussion of the Bill in committee, we shall perhaps be able to produce amendments to improve the legislation and increase the likelihood that the Government's objectives, which in this case are ours as well, will be achieved. In fact, they must be achieved, and this has been obvious for some time.

Mr. Speaker, in the circumstances, I can assure the Government that we do not intend to waste Parliament's time irresponsibly, in considering the Bill now before the House. On the other hand, we shall probably expect a great deal more relevance from comments we shall hear in committee. Mr. Speaker, we shall insist that the parties concerned in the construction industry and in the business world . . . We shall try, very objectively, together with the Minister and the Government, to examine the possibility of improving the proposals before the House today, in order to increase availability, security and stability in this area, for the benefit of all Canadians.

In the circumstances, the Minister will realize that many of my colleagues would like to comment as well and express the views and needs of their constituents. We must allow my colleagues a minimum of time to comment on this proposal. Generally speaking, I realize that the Government is trying to provide mortgage rate protection for all Canadians. However, Mr. Speaker, once again, it does not provide a response to the vital needs of Canadians.