

Discussion on Housing

people of Canada to draw their attention to the matters which interest us, namely housing and the fiscal system in general. I would like to give the results of a little study of the hidden side of our fiscal system.

This afternoon, I should like to find out through an X-ray or an electronic detecting machine the real thinking of those responsible for this system which is imposed on the entire population. Sincerely, Mr. Speaker, after more than five years in this house and after two and a half months of adjournment which I spent travelling throughout my constituency to question various groups, individuals, representatives of private industry, to know the effects among the people of the legislation we vote here, I am definitely disappointed.

● (4:50 p.m.)

The conclusion I have drawn from all these visits and discussions is that fiscal legislation is strictly a smoke screen to hide the true purpose of the government, which is to tax the individual, when such legislation is not simply a web of inequities. That is pretty well the conclusion I have reached after working in my constituency during the holidays.

It is always interesting for a worker to observe the result of one, two, three, four or five years' work and frankly, Mr. Speaker I was somewhat depressed when I realized the uneasiness which is rampant in my area. I can understand this uneasiness all the more since I have lived through it and discussed it with these people, since I belong to the people and I have also suffered the effects of certain legislation for which, this time, I cannot directly blame the government or the administrators.

However, as I said at the beginning, we can feel a power beyond the governments, a financial power which enforces its will upon the country and prevents the government from getting the money where it is. Every day, we find some means to fleece the people a little bit more, squeezing a few cents more and forgetting the mighty who live off the blood of our people. Well, I want these words to reach the people, to awaken them and incite them to free our leaders. If they lack the courage to free themselves, let them give up their seat so that others, capable of facing reality, may take their place.

Mr. Speaker, we have considerable evidence of the inequity of the present system. In fact, I have selected two or three instances and I shall start with the Central Mortgage

and Housing Corporation, one of our good crown corporations, which is supposed to help large Canadian families to secure low cost housing.

While all Canadians were waiting for our legislation to become owners, how did we answer them to help them achieve their purpose? We are raising the rate of interest to 8½ per cent, and then we have the nerve to say that it is intended to provide low cost housing. After having taxed building materials at 11 per cent, not to mention those 20, 30, or even 100 hidden taxes on these materials, we are now increasing the interest rate to such an extent that I, today, can go to any financier, to get a loan at 8 per cent. And the Central Mortgage and Housing Corporation, which claims to help small home-owners, provides loans at 8½ per cent. Why are we imposing this torture upon people. Why do we force the head of a family to pay for his little house, once to finance, and once to the contractor? Why?

Mr. Mongrain: It is three times.

Mr. Gauthier: I will say three times: once as taxes, once as interest and once to the builder. That is how you divide the monthly payments on property. But why? Is there anyone in the department who is serious enough to answer that question? Why do taxes and finance cost twice as much as building materials? It is utterly ridiculous!

Moreover, the average C.M.H.C. loan is \$9,000, whereas the smallest houses—I made inquiries this summer—cost \$14,000, \$15,000, \$16,000, \$18,000 and \$20,000. But do you think that a prospective owner can finance the construction of a \$20,000 house with a \$9,000 C.M.H.C. loan? It is impossible. How sensible is the C.M.H.C. Act?

Some members of this house travel around the country saying: Look at what we have done. Then at the end of the year, the government will put on our statute books all the legislation it has passed. When one takes the trouble to study those measures, one soon realizes that most are only smoke screens designed to cover up the actual truth. And the C.M.H.C. Act is one of those. Heads of families are led to believe that they can readily obtain the money needed to build a small house.

If only that head of a family was not forced to go through a contractor to get a loan from Central Mortgage and Housing