

dictate housing policy. I appreciate Mr. Teron knows what he is talking about and I am not downgrading his ability as a builder of many hundreds, probably thousands, of houses.

Mr. Campeau is quite an operator. His vice-president in charge of residential housing was until recently mayor of Ottawa. Another former mayor of Ottawa was made a director of this corporation, and now he is back on the Ottawa city council. Of course, Campeau has been a major contributor to Liberal party election war chests, and it is not just a coincidence that he is able to borrow from the government to build high-rise office buildings on some of which he draws rent from the government even before the buildings are ready for occupancy. We certainly cannot overlook the close ties that once existed between companies owned by the president of CMHC and Campeau. We are told that the president's companies are now in a blind trust, and so we are expected to have blind trust in his objectivity as Canada's housing czar.

I cannot help wondering how many centres across the country are blessed with having their own Campeaus doling out serviced land to the builders, setting prices that have to be reflected in higher housing costs. I also wonder what part this kind of monopoly ownership has played in the past few years in escalating the cost of housing to the point where a large percentage of wage earners in Canada have been priced out of the housing market.

While the government passed over the big builders and those who hold the bulk of the serviced land, they did tell us who the real culprits are, and it is a typical Liberal ploy. The white paper on housing that the Minister of State for Urban Affairs (Mr. Danson) released on November 3 tells us that it is the people who bought homes several years ago and who now want to move up into something bigger and better who are driving up housing costs. We are told that these people have profited by inflation and that they drive housing prices out of the reach of their less fortunate fellow Canadians, those who are in real need.

It might be true that some people have profited by inflation in housing costs, but it is also true that these home owners did not create inflation in the first place. The Minister of State for Urban Affairs is not doing anyone a service by passing the inflationary buck to a small group of people who discovered that housing costs had become inflated and that they could realize a handsome profit in the sale of their homes.

The plain fact is that the lots on which these homes were built had become inflated in price, and consequently the combined home and lot had increased in value far in excess of the true value of the home. We have seen the cost of serviced building lots increase in the past few years from about \$1,500 in some areas to \$20,000, and in some cases to \$30,000 and more. I am sure my hon. friend from Broadview (Mr. Gilbert) will bear out the fact that good building lots, when available in the city of Toronto today, are in the \$35,000 bracket. Just a few years ago this represented the total cost of a pretty nice home, situated on a nice lot. When we consider the ceiling on homes that qualify for AHOP loans as an example, we find that this ceiling represents the cost of only the lot that a prospective home owner proposes to build on. The only way that AHOP can be effective in getting families into low and moderately-

National Housing Act

priced homes is for the program to be flexible enough to allow the regional bureaucrats to judge each AHOP application on its own merits.

● (1750)

With the variations in both availability and price of homes from one part of the country to another, and with the almost day to day changes in the cost of houses and lots, there is no way that a fixed set of rules can be applied to a program designed to help people break the logjam of inflation and get into decent homes.

As long as Campeau and others in his category are in the driver's seat of the housing market, and as long as they are able to affect housing policy by controlling the market, all the housing policies we approve in this House and all the millions we pour into housing programs will serve only those people who already are being served. We will be serving those who can afford the going price for homes and the interest rates presently being charged on mortgage balances. An example of this was earlier given by the hon. member for Broadview who cited the fact of a \$57,000 home, with a \$40,000 mortgage for a term of some 30 years, costing \$140,000.

It has already been shown that the only low and medium-priced homes available in any quantity today are condominium apartments, and we know by experience that when condominiums become the rage, the price will skyrocket. I believe this was also referred to with respect to the situation in the Toronto area where the price is already in the range of \$46,000. This is a vicious cycle and unless we find a way to break that cycle the government's latest dream of one million housing starts in the next four years will be just that—a dream.

Some of us had the privilege of talking with and questioning the minister when his estimates were before the miscellaneous estimates committee. That was on November 27, at which time I had the opportunity of posing a few questions. I will concede that the minister did have a temporary program providing \$500 housing grants as a carrot to get the people to buy homes at these high prices. These grants were limited to new homes and the expiry date was November 1, I believe. The minister did extend that program, because of certain circumstances, to the end of this year. As a loss leader possibly this has been successful.

I asked the minister about the possibility of extending this program as it did not create a tremendous burden on government revenues and the government was certainly getting more than its investment back. However, the minister decided against that. The minister is to be commended for the \$1,000 grant program per housing unit in high-density areas. This certainly would relate to individual homes on lots that are not too large. Certainly this part of the program will be of tremendous benefit and I give the minister full credit for it.

The program involves \$1,000 for each unit in the municipality. It has been downgraded by some speakers, but I feel it is worth while and will be a tremendous shot in the arm for many municipalities which have been dragging their feet or, in plain English, have just not had sufficient funds to provide necessary services to certain lands and have had to say no to any builder or developer wanting to take part