

*Anti-Inflation Program*

What, specifically, does the NDP recommend in the three areas mentioned? First, let us consider housing. We said as far back as the 1968 election campaign that a housing crisis was upon us in Canada and would continue. We said that the post-war baby boom is now exerting pressure on the housing market, and the increasing organization of Canada is creating more demand for houses. The government has known this for years. It knew there would be increased pressure on housing but failed to take corrective action even in 1968. It failed again last week when the Minister of State for Urban Affairs (Mr. Danson) announced his program which will do little more than tinker with existing legislation.

The government ought to introduce a comprehensive program which would include among its provisions rent controls. We need rent controls because the government in the past has failed to increase the supply of housing. That is the first step. Fortunately, rent controls are to be embodied in the legislation the government recently brought forward. We hope the provinces will follow the lead of British Columbia and establish good rent control legislation across Canada.

We concede that rent controls are a short-term solution, because unless housing supplies are significantly increased during the next few months the lifting of rent controls will result in a great mushrooming upward of rents. We say that it is absolutely essential to increase the supply of housing and we need many more than the paltry 20,000 units for which the government provided in last week's announcement. In our view, such a program can only be carried out if the Bank Act is changed to make it mandatory for banks to invest a certain percentage of their annual investment in low-cost housing. That must be done because the banks will not do it voluntarily.

● (1220)

Second, we must bring down interest rates. Mortgage interest rates must be separated from other interest rates. Again, the only way that can be done is for the government, through the Bank Act, to make changes, making it mandatory that banks and other financial institutions bring down mortgage rates to a substantially lower level. To rely on both of these points, either in terms of investment in housing or dealing with interest rates by voluntary co-operation of the banks, as the minister responsible for housing is doing, is to delude himself and the public. That has to stop. We need decisive action.

Third, we need action to deal with land speculation. Today, in the question period, I brought to the attention of the House a report done by Mr. Lorrimer of the city of Toronto which indicated that upward of 24 per cent of the price of a housing unit in the city of Toronto is due to profits in land speculation. Decisive action by the national government to deal with the question of land speculation is long overdue.

There are some basic steps that should be taken to bring down the cost of living, whether it is in the purchase of a condominium, co-operative housing, single family unit, town house or rental. If we do not take these steps, the rent control aspect, which is the only thing of short-run significance that the government has announced, will have no

[Mr. Broadbent.]

effect in the long run. The housing crisis which began at least as far back as 1968 will be with us until 1988.

On the question of energy, hon. members will recall that during the minority government, the NDP opposed the idea that we should move toward world prices for oil in this country. We opposed that idea then, and we oppose it now. The Liberal government was in favour of it then. We held them back somewhat in the days of the minority government. They now have a majority. They now have a public commitment to move toward world oil prices. We think it is both absurd and unfair to charge Canadians world prices for our own natural resources.

In terms of that resource sector, we believe it should be taken out of private control, private ownership, foreign control and foreign ownership and made a public enterprise. It is time to move in a decisive way in the resource sector with public capital so that we can make sure these resources are used for the benefit of the people of Canada, not to maximize the profits of multinational oil corporations.

This is not simply an ideological or philosophical commitment, although that is there as well. We say that the result of this would be concrete and immediate price benefits for Canadians. We could control the prices. We could hold the price of oil down for the average Canadian to drive his or her automobile. We could hold it down for the average family which has to pay energy costs for heating the home. We could hold it down for Canadian industry. This would put industry, and not only in central Canada, on a more competitive basis with industry elsewhere in the world. There is no reason why we should not be using our natural resources to put Canadian industry on a much more competitive basis. It is our view that the only way we can integrate all these social objectives, and particularly in this context the objective of reducing the cost to consumers, is to get effective public control of this sector of our economy.

The third basic concern of Canadian families is the matter of food. What do we recommend there? We say that the price gouging which exists in the food industry has got to be stopped. The hon. member for Nickel Belt (Mr. Rodriguez) gave some examples recently of what seems on the surface to be blatant price gouging or unjustified price increases in the Nickel Belt area. I am sure that similar patterns of price behaviour could have been picked up in every community from St. John's in the east to Vancouver in the west.

**Mr. Leggatt:** No, not in Vancouver.

**Mr. Broadbent:** The hon. member correctly implies that because of the price freeze in Vancouver, that would not occur. We will exempt that part of the country. I will refer to some of the items and ask hon. members to think of their significance. Over a six-day period from October 27 to November 3 the price of a ten-ounce jar of Nescafé increased from \$2.53 to \$2.89, a 15 per cent increase. A tin of Habitant pea soup increased from 71 cents to 91 cents, a 30 per cent increase in less than a week. A box of baby Pablum increased from 56 cents to 63 cents, a 12 per cent increase. A tin of sockeye salmon increased from 33 cents to 37 cents, an increase of 12 per cent in less than a week. I