

000 new housing units each year. In 1980 only 159,000 units were built, and in 1981 only 178,000 housing units were built. The latest Conference Board forecast of November, 1981, predicts that only 180,000 units will be built in 1982. This means that there will be a shortage of approximately 143,000 units over a three-year period.

When we look at the national vacancy rate, we see that it fell from 2.8 per cent in April, 1980, to 1.2 per cent in October, 1981. Centres with serious shortages include Oshawa, with a vacancy rate of zero; Edmonton, 1.1 per cent; Halifax, 0.5 per cent; Hamilton, 0.7 per cent; Kitchener, the same; Ottawa, 0.6 per cent; Regina, 0.3 per cent; Vancouver, 0.1 per cent; and the same for Victoria, British Columbia. There are projections that the vacancy rate will be down to just about zero universally in 1982. That does not paint a very bright picture for those who are seeking a place of shelter. There are those who have to rent, and even now it is almost impossible to rent. If there is an available house, the rent is so high that a great many families find it absolutely impossible to pay under present circumstances.

● (2150)

There is a very serious situation in Canada regarding the availability of housing, Mr. Speaker. Unless something is done in the very near future a great many people will reach the point of desperation. They see no way through the problem, no way around it, no way over it; they are up against the wall and do not know what to do.

The question of affordability of housing has been mentioned a number of times. The horrendous increase in interest rates is largely responsible for the unconscionable increases in housing costs today. While there has been a slight decrease from the high levels of a few months ago, the indications are that another surge will take place in the near future.

I should like to refer hon. members to an article by Paula McLaughlin which appeared in the *Ottawa Citizen* on February 6, 1982. She writes that the days of the 14 per cent mortgage are gone forever and that home owners should brace themselves for more increases in the cost of mortgage money later in the year. Her authority for this statement is a spokesman for the national realtor, A. E. Lepage Limited. Apparently the manager of mortgage services for that company said that rates this summer and fall may approach last year's record of 22 per cent.

The article states that this spokesman believes that home ownership remains within reach of many first-time buyers. I am not so sure about that, Mr. Speaker. It goes on to say that last year at this time the interest mortgage rate was 14.5 per cent. It shot up to 22 per cent in the late summer then dipped to the current level of 17 per cent to 18 per cent. This spokesman seems to feel that unless something happens in the United States which has a drastic effect on Canadian interest rates, a similar trend could be followed next year.

The situation has been deplorable, Mr. Speaker, and the future is bleak indeed. That is why I cannot understand the attitude of those who are in positions of responsibility in this

country, and by that I mean the Government of Canada. I cannot understand the determination that has been indicated by the Minister of Finance when he says that no changes will be made and that the policy will be maintained. That is an incredible attitude for the government to take.

Statistics show that on a \$50,000 mortgage at 10 per cent the monthly payment is \$447; at 12 per cent it is \$516; at 14 per cent \$587; at 16 per cent \$660; at 18 per cent \$733 and at 20 per cent \$807. This is the terrible situation in which people who have to renew mortgages find themselves.

We are told that approximately 1,200,000 Canadian families will have to renew their mortgages within the next two years. If there are any 10 per cent mortgages left, their owners will face a monthly increase of 41 per cent in their payments. According to CMHC, 40,000 Canadians will lose their homes as a result of high interest rates. What a dismal picture that is, Mr. Speaker, but it is what a great many Canadians face. Is this affordable housing? I say it is not.

On the question of shortage of funds, an article in the *Financial Times* of January 11, 1982, states that mortgage funds are drying up and that this, coupled with the palliatives offered by the government, puts an almost insurmountable obstacle in the way of home owners and prospective home owners.

In light of what the recent budget is going to do to the insurance industry, I do not think there will be a line-up of officials from insurance companies wanting to provide mortgage money. As far as affordability is concerned, I just do not see that the situation has been improved at all.

The problem of the cost of housing has been discussed a number of times in this House and I will not take time to repeat the arguments tonight, but what happens when houses increase phenomenally in value? The home owner is then faced with another horrendous increase in taxes.

An article in the *Abbotsford, Sumas & Matsqui News*, which is published in my riding, on January 27, 1982, carried the heading "Assessment revolt taxes appeal court". One sentence in the article that followed reads as follows:

A spokesman for the assessor's office said at last count some 2,400 appeals had been filed. The usual annual load is about 300 appeals.

Later the article goes on to say:

Property owners in this area have been hit by assessments as high as 60 per cent over last year. The minimum hike is about 30 per cent.

Area property owners have been caught by assessment values reflecting inflated real estate prices of a year ago.

On top of all those other obstacles that will inhibit the ownership and maintenance of homes, people are facing another substantial hike in taxes.

\* \* \*

#### BUSINESS OF THE HOUSE

**Mr. Deans:** Mr. Speaker, I am most reluctant to interrupt the hon. member, and I hope he will forgive me, but about an