

Business of Supply

trying to own their own homes. When a man makes \$7,000, \$8,000, \$9,000 or \$10,000 and cannot buy a home, don't you think that adds up to a housing crisis? There is something wrong somewhere. The Hamilton Area Co-operative Housing Association points out that in 1956, a three bedroom, one floor, brick home of 1,050 square feet cost \$11,900. Do you know what the same house cost in 1967? It cost \$21,500. That is fantastic. Now, we are talking about increasing the amount of mortgage to \$35,000 at 9½ per cent interest. I do not want to calculate how much interest that is.

My colleague from Halifax-East Hants has computed the interest on a \$20,000 mortgage, and has shown that a person winds up paying \$27,000 on top of the \$20,000 principal. When we talk about a \$30,000 mortgage the figure becomes astronomical. When we talk about housing, and I know this will be difficult, I think we have to approach the problem by trying to reduce interest rates.

With interest rates as high as they are very few people will be able to afford their own homes. Those of us who have homes now are indeed fortunate. We must also start thinking about whether we should allow interest on mortgages as a deduction for income tax purposes, and about whether we should allow land tax on our homes to be off-set as a deduction for income tax purposes. We must give the incentive somewhere.

Regardless of the jurisdictional problem between the federal government and the provincial governments, there has to be dialogue in order to ascertain what is feasible. I know the government will say, "Where are we going to get the money if we do what you suggest, or if we take off the 11 per cent tax on building materials?" In this area we will have to talk about priorities. If we take off the 11 per cent tax on building materials, then obviously we will have to decide where we must concentrate our priorities in order to alleviate the situation.

I do not want to take up too much time, Mr. Chairman, because I know there are other hon. members who have a lot to say, and I do not want to be repetitious. However, I do wish to deal in closing with urban renewal. I know the minister is interested in this matter. Urban renewal is certainly a part of the housing program. Urban renewal is of prime importance.

When I travel this nation as a federal member of parliament trying to learn about the

several problems this country is facing, I continually hit the problem of urban renewal in our major cities. They want to know what is happening. They have urban renewal programs in the first, second or third phases, and they need direction and leadership from the government because of the commitments they are facing. If they do not learn soon which way the government is going to go, they will be in trouble, not for 15 cents or \$100,000 but for millions of dollars. The minister must come up with an answer with regard to urban renewal projects that have already been started and have reached the point where commitments must be satisfied in the near future.

As I said in the first instance, Mr. Chairman, housing is not a crisis but it is going to be a crisis in a few years. It is advisable that we examine this problem, come up with solutions and give answers to the Canadian public. We must know whether the government is going to follow the pattern it set prior to June 25 last, when its members said they were going to cut red tape, make housing available, and lower interest rates. If they do that, we will be half way on the road to the just society.

Mr. Gilbert: Mr. Chairman, my remarks tonight are made more in a tone of sorrow than in a tone of anger because I am going to say that the Minister of Transport, who is in charge of housing, must go. His performance to date has been a tragic failure. His attitude has been one of smug indifference to Canada's most critical problem, housing.

The minister tabled the report on housing on January 29. To date he has done nothing of any consequence except promise legislation in the near future. When one reads the declaration of principles in the report of the task force, that every Canadian should be entitled to clean, warm shelter as a matter of basic human right, one is moved; but one is not impressed with the performance of the minister.

The task force devotes half its recommendations to improvements in mortgage financing, mainly to improve the housing opportunities of those of average incomes and above. It does nothing to meet the demands of those whose housing needs cannot be met through the private market, and who compose roughly 35 per cent of all Canadians.

The minister and others take refuge in the popular sport, making public housing the