

*Supply—Labour*

● (5:20 p.m.)

I have not been aware of any activity by the members of the New Democratic party this summer to help to prevent a seriously damaging strike in the lumber industry in British Columbia which might cause the mills to shut down. The resulting damage to the industry could eventually affect the housing problem, causing it to become even more acute.

**Mr. Hees:** Mr. Chairman, when the minister was speaking this afternoon he gave the impression that the housing problem is mainly one which exists in large urban centres. However, I wish to assure him that this is not so. Of course it is a very serious problem in large urban centres, but it is also a serious problem in urban centres of all sizes. Let me give an example.

Last Monday night I spoke in Picton which is a very important town in my riding, having a population of 5,000. Before going down there I asked those arranging the meeting what subject they would consider to be the most important for me to discuss that evening. The unanimous opinion was that housing was the most important matter of concern to the people in that district. As I said, Picton is a town consisting of some 5,000 people and it is a rural area. The inhabitants of this town are very much concerned about the housing crisis which exists in our country.

When the minister was questioned in May by the opposition about what he intended to do to provide the 170,000 houses which the Economic Council of Canada specified to be the minimum number of housing starts per year which should be made in this country in order that our people may be properly housed, he appeared very confident that his program would meet the country's need for 170,000 housing units this year. In looking back it is interesting to note how the minister's program has worked out in practice. When he spoke in May the construction industry of this country was producing houses at the rate of 16,096 starts a month. By June the number of starts increased by 8 per cent, to 17,429. However, by July the number of starts fell off by 14 per cent to 14,965, and by August the number of starts fell off by another 11 per cent to 13,343. So we see that in reality the minister's bold program has turned out to be a program in reverse. It started boldly and increased in the first month by 8 per cent. Then it turned in the other direction and in the next-month fell off by 14 per cent and in the following month by

11 per cent. August is the last month for which we have figures. Heaven knows what we are going to find has been the production rate in the month of September.

By the end of August the number of housing starts made in this country this year numbered 84,578. If we are able to maintain in each of the four remaining months of the year an average of the number of housing starts made in the month of August, 13,343, then by the end of this year we will have started 137,474 houses or about the same number as we started last year, which was 135,000. We can only hope that we can maintain that figure because, as I have pointed out very clearly, in the past two months we have seen serious drops in the number of housing starts, and in all probability we will find that in September we will have fallen considerably below the 13,343 starts made in August. If we look back one year farther we find that in 1965 we produced 20 per cent more houses than we did in the following year, 1966, or than we are likely to produce this year.

This is the minister's bold program for catching up with our housing needs in this country. In 1967 we are producing 20 per cent fewer houses than we did in 1965, assuming that we can hold the rate of starts which we made in August of this year, and there is a very real possibility that this will not be done.

So we can see that this program about which the minister spoke in such glowing terms last May has turned out to be a complete failure. In reality it is a policy in reverse. That is about the very best that can be said for it. What it amounts to is that by the end of this year the housing program, about which the minister spoke in such glowing terms a few minutes ago and also in May when he answered questions in the house, will have produced more than 50,000 houses too few, according to the minimum figure of 190,000 which the Economic Council of Canada says we must produce each year from now on until 1970 if we want to avoid an accumulating shortage of houses in this country.

In trying to explain this away, the minister said that of course that figure includes around 50,000 houses which must be replaced. He implied that it really is not too important to replace those houses, that people can go on living in run-down, unsanitary, slum houses so far as the Liberal government is concerned. This does not seem to bother the minister too much. The fact that this kind of housing contributes to juvenile delinquency,