

and is not the 37.4 per cent it was in 1972, but has dropped dramatically to 19.2 per cent. The article continues:

This program, which provides interest-reducing payments to builders of low-cost and moderate-cost housing, mainly helps moderate income earners, Mr. Patterson said. "To some extent AHOP does benefit low income people. But where it does so, it is primarily because of additional provincial assistance."

In Saskatchewan, for example, 61.3 per cent of those benefitting from AHOP assistance in 1974 had annual incomes of up to \$7,999. That province adds money to aid supplied by the federal government.

But in Ontario and British Columbia, where there is no additional provincial money for AHOP home buyers, only 8 per cent were in this income bracket.

Nationally, 19.1 per cent were in this income range in 1974.

I think that demonstrates clearly that the federal government and the minister have opted out of helping those people who need help most.

Let me take a couple of minutes to deal with a question which has arisen in the last couple of days, and that is the substantial increases in rent that seem to be in sight for those people who supposedly have been the concern of the present and former Liberal governments, and for whom limited dividend housing programs were designed. Some tenants faced with very sharp increases in rent met the minister last Saturday and presented their case. They had been told they were going to have increases of between 20 per cent and 30 per cent in rent. They insisted that the developers who own the property and built it under very favourable lending rates of interest from the federal government and Central Mortgage and Housing, now claim that their costs have increased so sharply that they need to increase rents 20 per cent to 30 per cent.

The tenants are saying they have no confidence in the landlords and they have no confidence in Central Mortgage and Housing. They told the minister that they want the right to inspect the books of Central Mortgage and Housing so that they can be sure costs have gone up. I can understand their feelings because Central Mortgage and Housing has never given anybody but the builders that they represent any information, not the ordinary people who are in difficulty—

**The Acting Speaker (Mrs. Morin):** Order, please. The hon. member's time has now expired.

**Mr. Frank Maine (Wellington):** Madam Speaker, one of the major results of the period of inflation we have experienced in the past few years has been skyrocketing prices for housing, whether owned or rented, and an acute shortage, in many areas, of suitable accommodation. The bill we are presently debating aims at alleviating both these problems. It also will have some other very beneficial side effects.

Until now those people who already owned their own homes were in a position immensely more favourable than that of, for instance, young couples attempting to save to buy a house while being faced with rapidly escalating rental payments. This new program will help to reduce the artificially inflationary effect which results from home owners trading up to more expensive homes while already in possession of considerable equity in their present dwellings.

### *National Housing Act*

It is widely accepted that a family should spend no more than 25 per cent of its income on housing, but a very significant proportion of Canadians find it impossible to remain within that guideline while still providing their families with decent homes. In order to keep their payments under that 25 per cent level, families with children and in need of assistance will be eligible for annual grants of up to \$750. In other cases, interest-free loans will be available for at least five years in order to close the gap between present mortgage interest rates and an 8 per cent mortgage. In other words, all Canadians who wish to purchase moderately priced housing will be assured that their monthly payments will be equal to those on an 8 per cent mortgage.

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One of the more significant measures in the bill which will have a beneficial effect in my riding and, specifically in the city of Guelph, is the \$1,000 per unit grants to be made available to municipalities approving the construction of medium density homes falling within regional AHOP and assisted rental price limits, and the provision of further assistance for sewer and water treatment facilities.

The city of Guelph presently has a lot levy of up to \$1,500 per lot unit, a levy significantly higher than those in other cities in the area. For that reason there has been a serious shortage of housing available in Guelph which falls under the limit for assistance from the Assisted Home Ownership Program. With that \$1,000 grant and, hopefully, a higher qualifying price for units purchased in Guelph, which is presently being reviewed, I am hopeful and reassured that the housing situation in my constituency will soon improve markedly. I am also confident that the increase in loans to builders providing rental accommodation at rents controlled by CMHC will bring about significant improvements.

I was happy to learn today that approval was given for the construction of 101 apartment units in Guelph under this program. It is a virtual certainty that had the Minister of State for Urban Affairs (Mr. Danson) not taken the steps to make improvements in this area which he did, those apartment units would not have been started.

Wellington riding has benefited recently from a \$1,112,-027 loan and a grant of \$676,523 from CMHC to provide for the construction of sanitary sewers, a pumping station, and a sewage treatment plant in the village of Rockwood. This type of action is illustrative of the progressive policies enacted by the Ministry of State for Urban Affairs.

It is well known that a healthy construction industry contributes greatly to the over-all strength of our economy. This new housing action program will inject an additional three quarters of a billion dollars into housing in Canada in 1976. Our economy has been waiting for several years for this type of monetary infusion. Of immediate impact will be the creation of an estimated 32,000 jobs next year in the construction industry alone. However, of potentially greater benefit to the economy will be the stimulus to our manufacturing industries as production of construction and home furnishing materials increases. Present indications are that our national economic picture is brightening as the world situation also improves. This new and increased activity in the construction and manufacturing