

### Housing

increasing rents, and even though old age pensions are raised every three months through the Department of National Health and Welfare, people are forced every six months to pay rent hikes to allow the Quebec government to collect the money needed to reimburse the loan granted by the Central Mortgage and Housing Corporation. We cannot go on like that any longer. We must absolutely change our financing system if we really want to revitalize the housing industry. In the past, and I think it is still true, it was said that if construction was going well, so was the whole economy. Today, many builders operate on a slow-down basis, bidding on smaller contracts, mainly maintenance contracts, but actually there are no new developments.

Mr. Speaker, I would like to draw your attention and my colleagues' to another excellent program, RRAP. In my riding, there is an RRAP project that has been going on for two years and the program is doing well when there is money but gets stalled whenever there is no more money, and it has been going rather slowly for the better part of the year because there were not enough funds for all the applications that were received, to carry out all the rehabilitation projects in that community. Some people may say, Mr. Speaker, that it is a long-term program, a five-year program. True enough, but I am satisfied that the program is now being implemented, but because there is not enough money, many municipalities in the province of Quebec and in my own riding have filed applications with the Quebec government because they wanted to become designated areas where RRAP programs would apply. Those municipalities are still waiting for an answer and as long as the provincial government will not respond to their application, the RRAP program will not operate.

However, as it has been said, this is the best program. Why is it the best, Mr. Speaker? Because, under that program, any owner of a dilapidated house or housing unit could benefit from a very special advantage. Let us say you have to borrow \$10,000 to repair your home, to rehabilitate it, under RRAP the federal government will allow a grant of \$3,750. This amounts to granting a loan at a rate of interest anyone could afford. This is called a grant, a rebate, or whatever you want, as long as the owner is taking advantage of it. But as things are going, there will not be many grants of \$3,750 because few projects are allowed and few municipalities can take advantage of the program. So, that generous program is not being raised, people do not take advantage of it, and those programs which are expensive, people go for them when they have to, but then they must pay five times more.

Mr. Speaker I have five sons. My children have learned to work, or at least, I have tried to show them that work is a tool for success in life, and they want to have a home, like the sons of all other Canadians, but they find that it is very expensive to build a frame on a good foundation if you must borrow money at the present high interest rates.

We cannot impress too much on the government the fact that this is the source of the problem and that we do not have to look elsewhere for it. If we could solve this, we could make some progress, and even though interest rates would sometimes

[Mr. Lambert (Bellechasse).]

be excessive, there would be new housing starts and new homes would be built. The plumbers who are now on unemployment insurance would find work and so would the workmen, the carpenters, the electricians and the roofers. That is the secret, Mr. Speaker. The construction sector is among those who provide the most jobs in Canada.

Mr. Speaker, I heard the reply given this week by the right hon. Prime Minister to a question raised by my colleague, the hon. member for Témiscamingue (Mr. Caouette), who wanted to know if the government was planning to introduce amendments to the Bank of Canada Act to enable the government to provide loans at lower interest rates. The Prime Minister is aware of the problem and is an intelligent man, but he evaded the question by replying: "If the hon. leader of the Social Credit party can convince many Canadians to make interest-free loans to the government, we, in turn, will provide interest-free loans." But this was not the essence of the question. The Prime Minister knew this. In my opinion, there are other alternatives. If the Prime Minister was really serious in his reply, Mr. Speaker, there are 8,600 million banknotes now circulating in Canada and the money supply represents more than \$80 billion. The issue of banknotes is the responsibility of the Bank of Canada. Again, there are 8,600 million banknotes and a money supply of \$80 billion. Who created this difference?

This is where the Prime Minister should have talked about the issue of the nation's credit which is today between the hands of private institutions that are getting richer than any other economic sector in Canada because they have the privilege to issue the credit of the nation at their advantage. I encourage all hon. members to review that issue further. One might say that financial issues are quite difficult. Yes, Mr. Speaker, it is difficult because we make it difficult to the benefit of those who take advantage of such a system and the Prime Minister knows it as he himself declared recently that bankers are the most demanding in Canada and he said himself that under his administration they became richer than anyone in Canada and that he was ashamed of that situation.

Mr. Speaker, we should make some effort, we the members of this House, to help the Prime Minister go further and ask him to bring back before the House Bill C-206 that I already tabled.

This bill would amend the Bank of Canada Act so that our bank could issue the credit of the nation in the same way as chartered banks but it would grant loans to provinces and, through them, to municipalities at administration cost. If we did that, Mr. Speaker, there would be a recovery in the building sector, the RRAP program would be operating and unemployment decreasing. We could applaud this government not only for its good programs but also because it would allow us to implement them without further delay.

● (1522)

[English]

**Mr. Dean Whiteway (Selkirk):** Mr. Speaker, today I do not intend to make any reference to the Minister of State for