

very high price for housing because of the social consequences flowing from a shortage of houses and their poor state of repair. It is not only the physical structure that must be repaired but some times there is such a thing known as social obsolescence.

As we improve our living standard the old homes that we have may be inadequate to help us attain some of the social benefits that are necessary for happiness within the community. It may be that more space is needed for a car. The occupants of a house may need space for a hobby room or a music room, or they may need more space for a garden. In fact, maybe we are not talking about obsolescence and repair, but rather about replacement, and that is why it is so important.

Nevertheless, structural repairs are important. Let me give you an example. In my riding a group of houses in the lower end of my riding were built in 1910 at a cost of \$1,500 a house. These houses were occupied until two years ago by people on very low incomes, many of whom needed social assistance to pay the rent. What happened is rather striking. Developers who moved into the city of Toronto acquired this group of row houses. They tore the insides of the houses down, and replaced everything except for the individual structure itself. However, these houses are now selling for between \$70,000 and \$75,000. The down payment on them is no less than \$20,000, and I think the first mortgage is at about 10½ per cent with the second mortgage at 12 per cent.

This is what is happening in many of our large cities. People on low and moderate incomes are being driven out of homes which should be repaired for them, and the vacated homes are renovated and rehabilitated for people who have money and who are moving back into the city to attain what is known as social status. This is what is happening across the country.

When I heard the hon. member for St. John's West speak, I was reminded of housing in Newfoundland and the maritimes. Today I came back from the maritimes where I saw some of the homes there. A successful building scheme down there is what is called shell housing. We must put more money into shell housing because people must have money as they go on with the construction of their homes. It is onerous to assume a mortgage these days at 10 per cent or 10.5 per cent, with the heavy interest payments that people must meet. Therefore I urge the Parliamentary Secretary to the Minister of State for Urban Affairs to speak to the minister.

The minister is a man of fine instincts, a man of decent qualities. It seems to me that he intends to do a good job in housing, but he is not getting the necessary support of the Minister of Finance (Mr. Turner). He does not want to see 156,000 starts for February when his target is 210,000 and he does not want to see people living in poor quality homes. He needs the necessary money and the necessary co-operation.

In committee the other day the minister castigated the trade unions for not contributing to the housing fund scheme. They should contribute, and so should the banks and the insurance and trust companies. The minister should put a high priority on housing starts and the rehabilitation of houses so that every year he has a program and commitments from the financial institutions. If

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it means pension funds, then he should conscript all financial institutions into contributing to the program so as to ensure that he has the necessary moneys. That is the way in which it must be done.

Also, a reasonable interest rate should be established. We cannot consider an interest rate of 10 per cent or 11 per cent, especially for pensioners. How can one impose that on a pensioner, or on an Indian or Metis? How can one impose that rate on a father or mother who has other commitments? The Minister of State for Urban Affairs said that he would like to see the housing budget of any person not exceed 22 per cent of income, and I agree with him. But in too many cases it far exceeds 22 per cent. We find people with an income of \$3,000 or less spending up to 50 per cent of their income on rent. Therefore it is a good thing that the hon. member put forward his bill today because he has underlined the deficiencies in our present housing program.

● (1750)

I hope that the Minister of State for Urban Affairs, the Minister of Finance and all hon. members appreciate the seriousness of the housing crisis in Canada, and what a tremendous help its alleviation would be in solving the unemployment problem, while providing a better quality of housing so that people can live in decent housing at affordable cost.

[*Translation*]

Mr. C.-A. Gauthier (Roberval): Madam Speaker, I shall certainly be brief because I have only seven minutes left. I would still like to congratulate the hon. member for St. John's West (Mr. Carter) for having introduced Bill C-227. As to whether the bill is out of order or not, I was somewhat surprised to hear the hon. member for Matane (Mr. De Bané) ask the Chair to declare this bill out of order. The hon. member for Matane has been a member of this House for several years and I found the way in which he wanted to get rid of this bill very strange. As all other members, he is well aware that bills introduced during private members' hour have a life expectancy of only one hour. This bill will necessarily be killed by the clock like all the others, Madam Speaker, but it will give us the opportunity to express our opinion on certain subjects about which we could not otherwise talk in this House.

In my opinion, this bill is very interesting, as the previous speakers have proved, since it suggests an amendment to the National Housing Act, an amendment wanted by all the population, especially the low income earners who wish to obtain a dwelling. When I speak of a dwelling, I mean a family dwelling, and this afternoon, we have heard mostly about the programs and the needs of the large centres.

I know that there is a pressing need of it. What the members of the House do not know, it is what is needed for rural communities, villages and towns and in rural areas as a whole.

If the government were to accept this amendment, it would be required to introduce legislation allowing low income workers to repair their homes, especially in villages and in the country. If they could take advantage of the plans proposed by the Central Mortgage and Housing