

Urban Affairs

The province of Ontario has suggested that a highway be put through the centre of Welland. This may or may not be practicable. Studies have been made of the official plan of the city of Welland and a lot of money has been spent by the city. I do not think we need to spend more money on research and planning. The present committee which was set up to study this matter has been meeting about twice a month. Two of the meetings have been successful and we are now defining our positions. We know pretty well what the public wants. We also know the federal government is not trying to push either the province or the city around but is trying to co-operate, which in my opinion is a fine exhibition of what can be done when the three levels of government get together. I may be an optimist, but I think we will be able to talk this matter over and settle it by mid-summer.

As far as the solution is concerned, I hope that the present plan uses Welland as an experimental area. I am not at all afraid of a little experimentation and innovation. I should also like to see some urban renewal in the form of a beautiful city centre built over this polluted ditch that we have. There is no motion in the waters of the canal. A big causeway has been built to carry both road and rail traffic across it just south of the city, but nevertheless we have a big problem that must be faced by the several levels of government. I hope that even a small amount of the \$100 million is used to help solve our problem. I do not want to go into the frustrations we have had over the actual plan, but it is at least gratifying that some work has been started on the project.

I think the impression that this is just a sort of research program is correct. I think all the research on building construction, sewage disposal, water mains, transportation and energy has been done and it is a case of putting all the ideas together. In this regard I am not just talking about my own community.

If I may digress for a moment, we have a large steel plant in Welland and they requested some help in putting in an experimental furnace using pelletized iron ore instead of expensive scrap steel. The Department of Energy, Mines and Resources research branch constructed a model, the idea has been brought to the attention of the departments concerned and it is now being put into practice. It is costing \$250,000, in addition to a \$100,000 developmental grant put up by the private company itself, to put this furnace into operation. In other words, private developers and builders should work with the government in the building of model communities and in experimenting in civic planning.

Hon. Paul Hellyer (Trinity): Mr. Speaker, first of all I should like to congratulate the hon. member for Calgary North (Mr. Woolliams) on presenting this motion to the House today. It demonstrates on his part a very deep concern for the welfare of the average Canadian and the conviction that it is possible, as well as desirable, that we work together somehow to achieve the situation where clean, warm shelter is made available to all Canadians.

I think he had a right to be indignant at the latest proposal of the minister, which is the subject of the motion. It is a \$100 million fluff fund. It will not meet the needs of the Canadian people so far as housing is concerned. It will not help to bring down prices at a time

[Mr. Railton.]

when prices have risen to the point where housing is beyond the means of the average Canadian. It will not help meet the immediate need which has reached in many parts of the country crisis proportions. The proposal is in many ways subject to the charges that have been levelled against it. Somehow the minister seems incapable of understanding and coping with the real housing problems of this country.

It is true, as we have been told, that a great many units have been built during the last three or four years. In my opinion, about 50,000 more units have been built each year as a result of the technical amendments that were made to the act in 1969 based on the task force report. Yesterday I heard it said from the NDP corner of the House that this was not so, or there were intimations to this effect. Nevertheless, I will try to make the case—which I shall not elaborate on tonight in view of the short time allotted to me—that it is in fact due to these technical amendments that we have managed in this country during the last three or four years to increase the volume of new housing construction.

Incidentally, I am sure that the objections of the NDP are well motivated. They are well meaning individuals, but unfortunately very few of them have any practical experience and consequently cannot be expected to fully comprehend just how these highly technical operations work. They do not have the practical knowledge to understand.

So far as the floating interest rate is concerned, may I say it has seldom been higher than it would have been had the statutory limitation been maintained. As a matter of fact, usually it has been lower. The advantage, however, is that funds have been available, and because there was a flexible and quickly adjusting floating interest rate, money was continuously available. This meant that housing projects could go forward and could be completed. The floating interest rate has been a great blessing to the industry and, equally important I would say, it has not cost the Canadian people more.

● (2120)

The other objection raised yesterday during the debate was in respect of the five-year roll-over. This, too, was absolutely essential. Had it not been for the introduction of the five-year roll-over many of the financial institutions would not have invested in housing mortgages and certainly they would have invested less than they actually did. This is particularly true of trust and loan companies which borrow much of their money on the basis of five-year certificates. Without the five-year roll-over provision, much of the money which has gone into the housing market these last few years would not have been available, and consequently the production of housing would have been less by the tune of several tens of thousands of units each year.

I think probably the hon. member for Broadview (Mr. Gilbert) in raising this argument did not realize what he was suggesting. He was suggesting, in effect, that we should lock people into high interest rates for 25 years. Surely the hon. member would not want to do that. Where is that party of the little people? Where is that party of the workingman? Since when did the NDP want to lock the