

Housing Prices

ments. All he is doing is tinkering with the National Housing Act. He is not bringing forward any serious proposals to deal with the housing problems we have in Canada. The result of this attitude and the non-performance I will deal with in more detail at two o'clock.

Mr. Deputy Speaker: Order. It being one o'clock, I do leave the chair.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Gilbert: Mr. Speaker, before the luncheon adjournment, I said that by reason of the multiplicity of ministers in charge of housing in the last eight years, and by reason of their attitudes with regard to policies as well as by reason of their non-performance, there have been certain results with regard to housing in Canada. I should like to set forth those results to you, Mr. Speaker.

First of all, we have had a serious housing shortage, more especially for senior citizens and persons of low or modest incomes. The total housing stock in Canada is disgraceful, and less than 2 per cent of housing consists of public housing. That is the first result. The second is that we have the highest housing costs in the world. For example, in the city of Toronto the average cost of a house is \$32,000. Third, we have the highest interest rates in the world, and they are still going up. The newspapers indicated yesterday that the interest rates will probably exceed 10 per cent again and that NHA mortgages will probably be around 9½ per cent in the very near future.

Let us consider, for example, a young couple 30 years of age buying a home on a 40 year mortgage at the interest rate of 10 per cent. They will finish paying for it at the age of 70, and by that time they will have paid at least three to four times the original cost of the house which they purchased by reason of the high interest rates. Fourth, we have the highest rents in the world. One does not have to go beyond Ottawa to realize how high the rents are. Fifth, we have the highest land prices in the world. Sixth, we have the highest legal costs for home buyers in the world. Is it any wonder that the present minister has earned the title of minister of the most expensive housing in the world?

In addition, we have no integrated national housing policy whereby we would have national consultation among the three levels of government. Thus, the needs for housing would be determined, the proper mix of housing would be determined, the financing needs for housing would be determined, and new building techniques would be incorporated in a national housing policy. The present minister has given us nothing of this nature, and I am sure he will promise us nothing this afternoon. The last result has been that we have no laws to protect home buyers against builders who perform shoddy and defective workmanship and who supply inferior materials in the construction of houses. It is bad enough to be aggravated by the high cost of a home, but to have the further aggravation of no protection against shoddy construction of that

[Mr. Gilbert.]

house adds real insult to injury for people who buy houses in Canada.

We in the NDP have set forth in the past our approach to these problems, and this afternoon some of my colleagues will deal with some of the areas that I have mentioned this afternoon. I want to dwell on the last point I made with regard to the lack of protection for home owners against defective workmanship and inferior materials. In the April issue of *Canadian Homes*, Professor William A. W. Neilson, who is a professor at Osgoode Hall attached to York University, set forth in an article what happens when people have no protection with regard to homes that they buy. He said that people who buy television sets and vacuum cleaners have more protection than a purchaser buying a home in Canada today. He mentioned a case in Burnaby, British Columbia, where purchasers of condominium town houses were complaining of seepage in the basements, lack of promised sound proofing, wet crawlspaces, and unfinished landscaping. They appealed to the Attorney General of British Columbia and also to the minister of municipal affairs, but were told that they could do nothing about it. One of the purchasers said that he realized at that time what the Latin words "*caveat emptor*" meant—"Let the buyer beware" because of the sad experience they had.

• (1410)

In the city of Sudbury, Mr. Speaker, 20 owners of new homes had to abandon them because the plumbing and sewage facilities were condemned and nothing was done about it. People in Deep River, Ontario, were having trouble with a builder on the same problems of construction and materials defects, so they thought they would go to the source of supply. The mortgages on these homes had been arranged by Central Mortgage and Housing Corporation and the owners thought that they would be interested in their problems. The attitude expressed by CMHC was that the inspections made on their behalf were just to protect the security of the mortgage loan that they had placed on the property and that the purchaser had no protection as far as CMHC was concerned. This is the attitude of CMHC with regard to guarantees. This problem has been repeated across Canada. There are many instances in Quebec and I am sure members of the Social Credit party and the Liberal party will set forth some of the agonies that purchasers there have experienced. Mr. Speaker, I have had some contact with people in the Talvin housing project in Hull, Quebec and one of the purchasers gave me a list of 30 items that were defective in construction and materials. Very little or nothing has been done, and many of the purchasers have had to go to court in an attempt to set aside the contracts they had entered into with the builders.

What is the answer, Mr. Speaker? The Ontario Law Reform Commission said in 1968 that we should place the whole responsibility for supplying reasonable workmanship and good materials on the builder for at least six years. In other words, Mr. Speaker, there should be a guarantee that the home is fit for habitation, built of proper materials, constructed in a proper and workmanlike manner and free from defects of construction. I would remind the minister that in England there is a two-year guarantee and an arbitration system to settle