

Supply—National Revenue

would also inform the committee whether the subject of national public housing was among those matters which were considered at any of the recent federal-provincial conferences and, if not, whether this very pressing matter is to be referred to any such conference which may be held in the future. To continue this article in the *Gazette*:

The report found that about 87 per cent of Canadian dwellings are of reasonable quality.

But it also estimated that "about 570,000 younger families and 180,000 elderly families in the low income group were living in substandard conditions of dilapidation, doubling-up, overcrowding, or were paying excessive portions of their income to escape bad housing."

Another 170,000 elderly households and individuals were similarly troubled.

The report goes on to say:

"By 1964 Canada, which was the last nation in the western world to embark on assisted housing for low income families or elderly persons, had over a 15 year period laboriously achieved the unimpressive total of some 11,000 units of family-type public housing, 24,000 units of moderate-income housing, 1,000 units of low income co-operative housing and some 6,000 units of elderly persons housing.

Two fifths of 1 per cent of all housing units assembled in the post-war period were public housing units, with rentals subsidized to adjust shelter cost to family income."

I quote further from this article in the *Gazette* which, in turn, quotes from the report.

The study recommends that Canada should embark on a program which will aim at introducing low income families and elderly persons into the mainstream of community living.

These are matters which have been discussed with the minister and they are matters upon which I, and I am sure all members of the committee, would be interested to hear the minister's views. As far as I am aware, apart from one or two relatively minor alterations in our approach to housing over the last couple of years no policy has been produced to meet the valid criticisms which are contained in the Murray report.

It seems to me to be quite evident that public housing in this country suffers from fragmentation of authority, inability to make decisions and an overlapping and general confusion. We want to know from the minister what the government intends to do in order to clean up the national housing mess. I believe it can properly be called a national housing mess, particularly in the light of the Murray report. One of the more aggravating factors that gives rise to almost insuperable problems as far as the government's inability to cope with this national housing mess is concerned—

Mr. Hahn: What did you do with it?

[Mr. Nielsen.]

Mr. Nielsen: My hon. friend from Toronto asks, what did we do with it. There were more housing starts in the few years the Progressive Conservative party held office than at any time in Canada's history. If the hon. member will check the d.b.s. statistics, he will find that this statement is quite accurate. The reason for that is quite evident, too, in the policies that were implemented during the years 1957 to 1963, policies which injected \$750 million, for instance—I believe that is an accurate figure; it is that, or more—into the national housing field, policies which allowed residential construction in the north, where hitherto—that is, prior to 1957—in my own riding, for example, only two N.H.A. homes had been built. Well over 100 were built immediately after 1958.

Mr. More: Any more interjections?

Mr. Nielsen: I say, Mr. Chairman, that we are faced with a national housing mess. The Murray report indicates this quite clearly. At the same time housing prices are pushed irresistibly upward. One of the factors which is causing this upward rise is the action of this government in imposing an 11 per cent sales tax on building materials. This has produced some disastrous results, which is now quite evident from d.b.s. figures that have been published. This situation cries out for rectification. I quote from the Tuesday, September 29, 1964, d.b.s. *Daily Bulletin* at page 2, where it is set forth that new residential construction in Canada had decreased by 25.1 per cent. The reasons attributed to that decrease are set forth at the bottom of page 2 of that *Daily Bulletin* as follows:

The upward drift of prices was reinforced in the second quarter. Most of the increase of about 1 per cent in over-all prices took place in expenditure on gross fixed capital formation (up about 1.5 per cent), largely due to the implementation of the second stage of the sales tax on building materials and production machinery. New residential construction prices rose by almost 2 per cent. An increase of a little more than 2 per cent was recorded for the price of machinery and equipment.

That is the conclusion of d.b.s. In our view every effort should be made to reduce, and not to raise the price of housing; for if the price of housing goes up, it is elementary to conclude that fewer starts are going to be made on residential units and that the national public housing problem is going to be irritated and aggravated further. One of the matters this government has crowed about as being so effectual in order to meet the national public housing difficulty is the im-