

*National Housing Act*

(Mr. MacDonald), if he was here, would quarrel with my assumption, in the several contacts I have had with veterans' organizations over the past months since the program was announced, it was amazing to me what little knowledge there was of the special housing assistance for veterans, which the minister and the government expounded with all the fanfares they thought were required.

An example of the weakness in the special housing assistance program for veterans was brought to my attention today. I received a call from a veteran who wanted to purchase an existing home which is available under the program. One of the answers he received from the people I suggested he call was that he was too old. This gentleman is a second world war veteran of 60 years of age. That is hard for me to believe, and I dare not mention some of the other answers which were given to him. It seems glaringly obvious that there is not too much sincerity in the government's application of this program in the provision of only \$50,000, and when a veteran aged 60 is told that he is too old to qualify. The minister, a veteran himself, should investigate the lack of progress under this special housing assistance program to determine and to improve any weaknesses which evidently exist.

Returning for a moment to the residential rehabilitation program, I feel that I should bring to the attention of the minister a survey of the conditions of veterans' homes, which was carried out by the Newfoundland command of the Royal Canadian Legion, a survey which could set an example to relate the need for a more comprehensive effort on the part of the government to expand this program. The minister has this study before him, as does the Minister of Veterans Affairs, and I recommend that the experts in both departments use the report as an example of the need for the rehabilitation of homes, not only for veterans, but for all Canadian citizens who are needy.

I am sure many of my colleagues have dealt with the other clauses of the bill and have pointed out the difficulties which are evident and of which note should be taken. I know it is easy to criticize any government program, and it is not my intention to criticize for the sake of criticism, but only to point out in a constructive way how the bill might be improved.

In this regard I hope I can rely on the latest newsletter of the Housing and Urban Development Association of Canada, which is known as the watchdog of the housing situation. I sincerely hope that their comment that "although inflation continues to be Canada's greatest concern, housing in 1976 appears headed for a better year" proves true. I am also heartened by their comment on housing in the Atlantic region. They indicate that in the province of Newfoundland housing starts are now up 6.5 per cent after being down by 5 per cent in previous years. They also indicate that in other provinces in the Atlantic region housing starts are up. However, even with this increase, I have to say that there is a lot of catching up to do in my province, and I hope the minister will realize the many needs of my province in regard to housing.

As I indicated, many of my colleagues have brought to the attention of the minister and his staff the many shortcomings in the bill. I wanted to deal with the two important points which I feel affect needy and low income earners in Canada. I hope the minister will take cogni-

[Mr. Marshall.]

zance of the comments I have made, and hopefully before the bill receives third reading we will overcome some of the serious inequities and solve the housing crisis in our nation.

[Translation]

**Mr. Gilbert Rondeau (Shefford):** Mr. Speaker, in the few moments at my disposal I am very pleased to make some remarks concerning a bill which might not meet all our needs but which represents an attempt to answer a very serious problem in Canada, the problem of housing.

In April 1968, the federal government also promised that a bill to facilitate the ownership of low priced housing would be presented during the forthcoming session. Since April 1968, that same government created an inquiry commission on housing headed, as everybody knows, by the Hon. Paul Hellyer. The commission sat almost everywhere in Canada and presented a report. This report had smashing results as almost immediately following its release, the chairman, Hon. Paul Hellyer resigned from his position. Since then, many recommendations have been made to the government by several private organizations concerning the many housing problems not only in the province of Quebec but everywhere else in Canada. And we realized since then that housing costs have increased tremendously and particularly the cost of mortgage financing in Canada. I have very interesting data on that subject. Before referring to them I should like to quote from an article published in the *Toronto Telegram*, on October 17, 1970 and that commented on a part of the Hellyer report as follows:

The housing situation in Canada is bad and is getting worse at least for many Canadians who are looking for housing, young couples, tenants and particularly low income people. Who is responsible for this mess? Charity and common sense require that we recognize the difficulty to face urban problems. We also have to realize that our institutions do not serve us well. This government is certainly to blame because Ottawa is responsible for our banking system and our fiscal and monetary policy. Those two areas deeply affect the housing policy at every level. Unfortunately, there is in the housing field many examples of government action that have failed.

● (2140)

To name but one, the Hon. Paul Hellyer said the federal government missed an excellent opportunity to make a positive and significant contribution to reducing the cost of housing when they did not accept his recommendation to supply the funds needed to reserve the land for certain municipal projects.

There was no financial nor constitutional barrier. This could have been a great help to the municipalities concerned, and the people. The housing crisis was therefore mainly due to bureaucratic mismanagement...

Nothing has changed! What was true in 1970 is still true today. Another main obstacle was money, or rather the lack of it, and therefore excessive interest rates. What was true in 1970 is truer still in 1975. The unwanted orphan was fathered by the federal government. Ottawa controls the money supply and has the last word about the economic environment across the country. Our monetary mandarins knowingly and deliberately restricted the money supply to the extent that interest rates are far above the possibilities of most potential owners and many developers. This results in fewer housing starts and brings little hope to the potential buyer.

A larger stock of money and houses would spur competition, and most significantly lower prices and rentals.