

But Mr. Gagnon had foreseen that following the increase in interest rates, the workers, as was seen last year, would go on strike in order to get pay increases, thus causing more inflation. The government would like to fight inflation, but they are responsible for it.

The sixth consequence pointed out by the former president of the Housebuilders' Association is the following, and I quote:

—the citizens will be deprived of their legitimate right to live in adequate housing or to own their homes.

• (3:20 p.m.)

The six effects mentioned on January 4, 1969 made themselves felt 15 months later.

And, Mr. Gagnon advocates the very thing that we, of the Ralliement créditiste, have asked on many occasions in this House. As a solution to this problem he recommends the following, and I quote:

—an immediate lowering of the interest rates on CMHC loans for people who earn less than \$10,000 a year; also the elimination of the 11 per cent sales tax on building materials for housing purposes;

He also recommends the passage of a measure already in effect in the United States, and I quote:

That the Income Tax Act be amended so that small home-owners be able to deduct municipal and school taxes from their taxable income.

We know that in the United States a homeowner can deduct from his taxable income his municipal and school taxes in addition to the interest which he pays on his mortgage, which is prohibited in Canada.

Mr. Speaker, I would have many more recommendations to make yet. I have before me a thick file on housing in Canada. It contains recommendations, study reports, statistics, and an analysis of the needs in the housing field. These studies have not been carried out by us by the task force and experts who considered this problem even before the task force chaired by the hon. member for Trinity did so.

Ever since I have had the honour of sitting in this House, I have noticed that under the former administration as well as the present one, the cost of housing has continued to rise. Today, it is nearly twice what it was in 1960.

Inflation affects housing as well as all other segments of the economy. And the Ralliement créditiste is not responsible for it. We, of the Ralliement créditiste, claim that the Bank of Canada should put at the disposal of Central Mortgage and Housing Corporation the credits required to enable it to lend to individuals,

Request for Housing Statement

namely to young couples who want to own their homes, at a rate of interest of 3 per cent, which is quite normal.

Instead of going to the international money market to find the capital it needs to finance itself, Central Mortgage and Housing Corporation should go to the Bank of Canada; it could then offer loans for 20, 25 or 30 years to the young who want to marry, or any other Canadian who wants to marry or own his home, at 3 per cent interest. Then, we would not witness inflation in the field of housing.

In addition, we would not witness the current unemployment in the construction trades, and we could build within two or three years the million units Canada needs, according to the Minister without Portfolio. And even then, we would have some way to go to meet the needs of the population, in view of its increase.

We know there is a serious housing problem. Having a place to live, owning one's home is a vital need; it is the normal wish of every Canadian. Every Canadian has the right to own his home and as we do not lack anything else in Canada, the housing problem is surely an artificial one. This is an "artificial" problem as there is no shortage of materials, contractors, or labour. Indeed supply and demand exist. However, in order to balance supply and demand, we must first apply the recommendations made by the task force under the chairmanship of the hon. member for Trinity as well as the ones put forward by the Crédiistes for many years in this House.

The housing problem in Canada is an "artificial" one, and it is impossible for the Parliament of Canada to solve it without solving first the problem concerning finance, which is the most important one. Should a war break out and should we need one million housing units for servicemen, we would not be talking in this House of the scarcity of money. We would not say that the housing shortage is due to the municipal or provincial governments but we would settle the problem. Indeed the Minister of Finance would solve the financial problem within a few hours so as to accommodate our servicemen in the one million housing units we would be able to build at the present time. We need them even though we are in peacetime.

I regret that the hon. member for Trinity who was in the House this morning cannot be here now for I would advise him if he wants to apply the recommendations made by his task force—recommendations which by the