

the financial institutions have been as interested in maximizing their profits as any other sector of the private enterprise system.

Interest rates today are at an all-time high of 10 per cent or more. These interest rates began to increase in 1969 when the hon. member for Trinity (Mr. Hellyer), who is now a Conservative, was a Liberal and the minister in charge of housing policy. He permitted interest rates on mortgages, which had been fixed at 6½ per cent, to be raised. He argued that if we removed the limit of 6½ per cent interest on mortgages there would be competition, rates would be reduced and as a result much more money would be available for housing. Events have proven that the hon. member for Trinity was wrong in 1969. The fact that he has become a Conservative has really meant nothing, because the members of the Conservative party are supporting the present proposal, one which was wrong in 1969 and is wrong today.

The fact that the government knows there are fundamental defects in our housing programs can be demonstrated when we recall that they appointed a commission to study all aspects of housing policy. The commission was headed by Professor Michael Dennis of Toronto. Having conducted very intensive and detailed studies of various aspects of housing policy and having prepared a report, Professor Dennis and his group found the government promptly decided the report was such a devastating criticism of the present and former governments that it would be better not to publish it. In fact, it was not until the document somehow got into the hands of opposition members and of the media that the government permitted its publication and distribution.

Professor Dennis was appointed by a Liberal government to look at housing policy. I understand he now works full-time for the mayor of Toronto who, I am told, is a Conservative. Not only did Professor Dennis make that report, but he appeared before the Standing Committee on Health, Welfare and Social Affairs on April 10, 1973, and presented a statement in which he analysed Bill C-133 which was then being considered by the committee. Some of the comments he made then could be equally applied to the bill we are discussing today. He said:

I strongly recommend that the National Housing Act be amended to provide that it is the policy of the government of Canada to ensure that decent housing is available to all Canadians at a price which they can afford and to achieve as equitable a distribution of the nation's housing resources as possible.

I submit that with interest rates at 10 per cent to 10½ per cent we are not getting decent housing at a price which many people can afford. I submit that with the price of land having jumped by some 200 per cent since 1960, the price of housing in major cities such as Toronto and Vancouver, to mention just two, have gone completely out of the reach of 85 per cent of the people of Canada. The submission which Professor Dennis made to the House of Commons committee on April, and his criticisms regarding the lack of an over-all housing policy which would meet the needs of the Canadian people, are as valid today as they were then. The government has failed in the provision of mortgages at an interest rate which ordinary citizens can afford. That is the main subject that is before this House. The government has failed in the provision of

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land at an equitable price; it has failed in almost every aspect of housing policy.

I wish to place on record the estimates of Professor Dennis and his group on the availability of serviced land in four cities. He estimates that six of the largest developers in ten Canadian cities hold half the land available for housing. That is the reason the price of land has increased so greatly. In Calgary, where there are 7,500 serviced lots available, developers own all of them. In Ottawa-Hull, where there are some 8,100 lots available, developers hold 7,000 of them. In Vancouver, where there are 8,000 lots available, developers hold 6,900; and in my city of Winnipeg, where there are 8,000 lots available, developers own 6,150 of them.

I would not mind if developers were doing this with their own money but, Mr. Speaker, they are doing it with money which belongs to all the people of Canada, because this government, and the Conservative government before it, permitted developers to go to banks and lending institutions—to which we are going to give further protection under the provisions of this bill—to borrow money, not just for this year or next year but probably for the next ten to 20 years, and to write off the interest rates on their borrowings as a legitimate business expense on which they have to pay no corporation tax. In other words they have been given a licence to use our money in order to jack up the price to people who need housing.

● (2010)

When we passed another bill a short while ago, the hon. member for Peel South (Mr. Blenkarn) was on his feet defending the financial institutions of this country.

An hon. Member: He always does.

Mr. Orlikow: Yes, he always does. What does this bill do, Mr. Speaker? As I said earlier, the bill is just a vehicle with which to tinker with the system: it is another excuse for not facing up to the real problems of providing the people of Canada with the houses they need. As I indicated earlier, figures which have been published by the *Globe and Mail* show that the trust and loan companies made 14½ per cent more profit in the first three months of 1973 than they did in the same period last year. This bill tells them that if they are worried that their housing loans are too risky, the government and the people of Canada, through this bill, will provide a sure-fire way by which they can dispose of their bad risks.

The government is not worried about their good risks; they can keep all the excess profits they make. As far as I know, there are no mortgages which are in any way bad risks in the long run; but if they have any which are bad risks in the short run, this bill will give all the protection needed by taking them off their hands. This legislation will increase the liquidity and the fluidity of the risk for the mortgage and trust companies in the housing field and will permit them to make more money than ever.

This proposal demonstrates that, as usual, the government is unwilling or unable to properly control the total cash flow that is needed if the Canadian people are to have their social programs looked after. There are billions of dollars for the developers who, as the hon. member for Broadview (Mr. Gilbert) said earlier today, want to build