

Supply—Labour

flexibility in deciding whether a convertito unit shall be used. If they decide it must be used because of the size of the lot, let this be done. But if they decide there is no greater possibility of pollution from the ordinary septic tank, let the septic tank be installed. In fact, they will probably decide that there is less pollution from the ordinary septic tank because they have serious reservations about the effectiveness of the convertito unit.

I suggest that the local health units be allowed to decide this question. They should be allowed to do so because these matters fall within their authority and it is a constitutional authority. It is a serious matter indeed for the federal government to move into this area. If the action of the federal government had the effect of forcing all building to be carried out on properly sewered lots, thereby reducing the menace of pollution, it would be worth while, but it does not do that at all. What it does is make it extremely difficult for anyone who has invested almost \$1,000, plus the continual maintenance of the convertito unit, ever to vote for a sewage bylaw. Why should he? The policy does not prevent this type of building altogether, because the person who somehow manages to scrape up the money from some source other than C.M.H.C. can build using the conventional septic tank. This should be a matter for very serious discussion right now, because the minister is blaming urbanization for the crisis in housing. It seems to me that anything that can be done to keep people in the rural areas, even for a while, will help.

It might interest the house to know—some hon. members have probably already noticed this—that when the mid-term census figures were published the only province in Canada where the rural population had not declined was British Columbia. There are specific and special reasons for this. They involve the tax on home owners and grants that have enabled people, elderly people particularly, to stay in their own fully paid-up houses rather than move into the city or into a public housing project. I believe steps can be taken that would provide direct incentives to people who own their homes to stay there. These incentives do not have to involve enormous sums of money. The amount of money involved would be far, far less than the sum involved in N.H.A. loans at 8½ per cent over 25 years.

There is much to be done in this area. We have heard this afternoon a call for a ministry of housing. This might not be a bad idea, but I know that if that call from the New

[Mr. Johnston.]

Democratic party were heeded and a ministry of housing were set up its work would be measured by only one criterion, the number of public housing units constructed each year. This would be the only measure that party would use.

The rhetorical question was asked this afternoon: Where on earth has private enterprise ever solved the housing problem? One could, of course, ask the corollary question: Where has public housing solved the housing problem? Has it solved it in the Soviet union? Has it solved it in Czechoslovakia? Has it solved it even in that pearl of public construction, Sweden? It has not. All these countries have housing problems which are acute and are becoming more acute. This is not the road to follow.

During the question period this afternoon the hon. member for Vancouver-Kingsway asked a question about some housing projects in Vancouver that are apparently held up. She did not say why they are held up. They are held up because they are under investigation. This investigation is being carried out because the cost per square foot of public housing in Vancouver is twice as much as that for housing built under private enterprise. Public housing is not the road to inexpensive housing for Canadians. The road lies in turning private enterprise loose, in making sure that conditions are such that the construction companies know from year to year or at least have some idea how much money will be available to them so they can plan ahead. The road lies in taking constructive steps.

Another constructive step that could be taken very quickly by the government is the removal of the 11 per cent sales tax on construction materials. This surely—I have said it before and it bears repeating—is one of the most inflationary taxes ever imposed. It has led to nothing but grief since its inception, particularly in the field of housing.

These, Mr. Chairman, are some of the areas in which the government can act and should act. No one will deny the gravity of the crisis. But the most frustrating part of it all to people who uphold the free enterprise system is that it has the tendency to make public housing seem the only solution and ever more attractive. I would urge the government to act in these directions that are open to them in order that this country may benefit, not from the most expensive housing that can possibly be built but from the cheapest and best housing that can possibly be built.