

*Supply—Labour*

inflow to meet the financial demands of the day.

I could go on for a long time exposing the housing problems of Canada. However, I do hope above all that the government will reassure the financial community of this country that it is serious in trying to curtail expenditures which are not productive and that it will give to the average taxpayer of this country the incentive to invest his savings in housing for the good of all Canadians.

**Mr. Nicholson:** Mr. Chairman, the hon. member was good enough to say that he would permit a question. I wish to ask him one in connection with one of the statements he made. He spoke about the fact that the new interest rate would adversely affect people in the low income range. Does he know that from among those who have borrowed in excess of \$500 million this year more than half the borrowers have incomes between \$4,000 and \$7,000 a year?

**Mr. Keays:** Mr. Chairman, I do not intend to dispute that fact in any way but I think every member of the house and every Canadian knows quite well about the 8½ per cent interest rate on loans, and if these people are in the \$4,000 to \$7,000 bracket they will never be able to meet their responsibilities.

**Mr. Scott (Danforth):** Mr. Chairman, in speaking on behalf of the New Democratic party perhaps I could start by making a few comments on the minister's speech. Over the years the minister has treated us to some rather interesting statements in trying to defend that which is indefensible. But his speech today certainly took the cake. If you boil it down to one or two sentences, the minister is trying to tell us that there is no shortage of housing. We have too many people in Canada and the housing shortage is really some rumour spread by all the people who cannot buy homes. That appears to be his attitude.

● (4:20 p.m.)

He has accused us of being partisan on this issue. Everybody knows that we are not partisan in this house.

**Some hon. Members:** Oh, oh.

**Mr. Scott (Danforth):** We never take partisan positions in the opposition. We are here only to make solid, sound, constructive proposals and to speak on behalf of the people. As I say, we never take partisan positions.

[Mr. Keays.]

The government's attitude on housing is reflected by the fact that to get at the housing problem we had to wait for the estimates of the Department of Labour to be discussed. That, I think, epitomizes the attitude of this government. At Ottawa housing has never been accepted as a prime responsibility. It has been kicked from one minister to another over the years. The Minister of Labour has been so busy settling strikes and other things that he has never had a chance to direct his attention to the problems of the housing industry of this country.

I wish to say two things mainly about the increase in the interest rate to 8½ per cent. First, I think the public should be made aware of what the increase means to them. The normal purchaser buying an N.H.A. house with a \$15,000 mortgage will repay on that \$15,000 over 35 years \$46,725. If the \$15,000 mortgage runs only for 30 years he will repay \$40,050. That is a pretty drastic critique of the new Liberal politics we were led to expect.

Equally important, it must be pointed out that no matter how much money is put into mortgages under N.H.A., homes will be built that the vast majority of Canadians cannot afford to buy in any event. We should stop hoodwinking the public that by coming into the house and mouthing statistics about the amount of money going into mortgages the government is in any way beginning to attack the housing shortage. It is not. We are misleading the public, and the sooner we stop doing that and face the facts the sooner we shall get down to serious discussion.

In a way I wish I could dislike the minister. It is always easier to go after somebody you do not like. But the minister is a likeable person. When he first got his portfolio many of us hoped he would make a serious attack on the housing shortage of this country. We gave him several years relatively free from criticism in the hope that progress could be made. But after all is said and done, what has happened is that the new lieutenant governor of British Columbia is shortly to leave us, leaving behind this mess that we have inherited. So far as I am concerned, his greatest contribution to the housing crisis would have been had he remained postmaster general.

A prominent political figure in Ontario discussed the new interest rate on the radio yesterday. He said that it was an absolutely frightening figure—and he happens to be the Liberal leader in the province of Ontario. That was his method of endorsing the new interest rate that is to come into effect.