

Discussion on Housing

There might seem to be good reason for doing this, but it is not as simple as it sounds because we must not overlook the person who made an investment in housing last year, with an income of \$6,000 or \$5,800 or perhaps less. Should it be made retroactive? If it is not made retroactive then there will be discrimination against some of our good people. I should like to admit, however, and I want the hon. member to know, that his suggestion merits serious consideration and it is one which is receiving and will continue to receive serious consideration.

In respect of another suggestion made by the hon. member for Charlevoix and supported by the hon. member for Winnipeg North (Mr. Orlikow), the one concerning the 11 per cent tax on building materials, hon. members heard my colleague the Minister of Finance (Mr. Sharp) deal with that last night. Hon. members know how the Carter report dealt with it. The conclusion of the Carter royal commission is that the money must come from somewhere and that until some new general tax formula has been found that will bring in the money needed the tax on building materials might just as well be left as it is at this time.

Again I should like to point out another difficulty. Is anyone going to seriously suggest that the man who builds a luxury hotel to make a profit or who builds an office building to make a profit and in so doing uses building materials should not pay the tax on the materials that are needed by him any more than a tailor, a manufacturer of television sets or a manufacturer of essential household utilities should? Why should there be any difference in the sales tax such people pay and the tax we pay on necessities? I believe this accounts for the conclusion in the report of the Carter report that until the whole matter has been looked into and new tax formulae are adopted this would not be the appropriate time to make such a change.

I have already mentioned the coming conference on housing, but there is also the matter of research. I wonder how many people in Canada know what is being done in Canada in the field of housing research. I wonder how many people in Canada know what is being done by our federal housing agency, Central Mortgage and Housing Corporation. Our architects and others who have considerable experience in these fields are continually in consultation with the housing authorities of the other countries of the world who are members of the UN. They meet periodically

[Mr. Nicholson.]

and exchange data. In addition, individual research grants are made to the universities with the advice and co-operation of the National Research Council in this field. We are doing much more work in the research in this field than people realize.

We are also co-operating with industry in research. Hon. members have heard of the Alcan houses and the use of synthetic building materials. We are using some of these materials in a housing project in England. There is the Maple Leaf project which is being completed at Harlow, near London. I wonder how many members of this house know we have a housing project involving 175 houses at Harlow, where Canadian lumber, hardware, synthetic and other building materials made in Canada are being used. This is being done in an effort to find markets for building materials of this country. It is part of our research program, also part of our trade program. So a lot more is being done in this field of research than many people think and this must, of course, be encouraged.

With regard to the suggestion of the hon. member that we should furnish a greater amount to the provinces and municipalities, I ask him how much more can we be expected to furnish for public housing than 90 per cent. Surely the provinces and the municipalities between them can furnish the necessary land, which no doubt would represent at least 10 per cent of the value. If we are prepared to lend 90 per cent of the money, I do not think any sensible person, who has any regard for the situation described by the Minister of Finance yesterday and by the President of the Treasury Board (Mr. Benson) last Thursday would suggest that we should go beyond that. How many people in Canada know that when it comes to urban renewal the federal government pays 50 per cent of the cost of urban renewal projects, that the provincial government pays 25 per cent and that the municipality, unless it makes an arrangement with the province, pays the other 25 per cent?

• (5:40 p.m.)

You should also realize that a municipality can borrow two thirds of the money it needs for urban renewal at the same attractive rate from the federal government. This again demonstrates the absolute need for more publicity and for greater distribution of information in this important and essential field.