

Housing

the financing to the provinces and, through them, to the municipal governments in order to allow those governments to make local decisions as to what direction development ought to follow in the particular community. There are different problems in different parts of Canada.

What are the arguments we hear from time to time with regard to this development of Carlsbad Springs, which someone has called "Fullerton's folly"? It is said we might better develop there because useful farmland would be taken up in the southwest quadrant of the city. Let me say something about that. The fact is that very little, if not all, of that useful farmland is not being farmed. It is now in the hands of developers and is in the process of being developed. They are now ready to go. Even if it were available for agriculture, the cost of farming on that high priced land would make it impossible for young farmers to afford.

There is a potential there which the government seems to ignore. I really believe there are some positive things that can be done. Some of them were mentioned by the hon. member for Don Valley. I think his speech should be commended to all. I hope that members opposite who are truly concerned about the principal urban problem in Canada and a very important rural problem listened very closely, and will read again the speech of the hon. member for Don Valley.

We can utilize the new town concept and the concept of developing around existing towns. We have the rail network in this area, and I suspect in other areas, to provide interurban transit. All of these things can be done, but I suspect they will not be done if the only imaginative proposal put before this House is a continuation of a program of spend, spend, spend. The result of that spending in terms of housing for Canadians indicates that that need is not being met. This is the tragedy of this government and this minister.

Mr. Ross Milne (Peel-Dufferin-Simcoe): Madam Speaker, I want to enter this debate very briefly and make just a few comments. The first is to mention the fact that I represent a constituency that has perhaps had the fastest rate of growth in urban development in all of Canada, and may be one of the fastest developing communities in all of North America. It is the location of the first satellite city in Canada—Bramalea. Since I have been here I have not heard many members rise to commend developers. But I think that today we should make an exception. I certainly want to commend the Bramalea Consolidated Development Corporation.

● (1630)

I was in the House back in February I guess, when a debate on housing took place, and the hon. member for Broadview (Mr. Gilbert) took this company to task somewhat severely in connection with its foreign ownership and its involvement in the building and development industry in Canada as the company was then owned almost completely by outside interests. As the member representing the area in question, I should like to draw attention to the fact that, this week, the transfer has been completed to make it a wholly-owned and operated Canadian company. This move has drawn praise from both the government of Ontario and the government of Canada,

[Mr. Baker (Grenville-Carleton).]

and I wish to be on record as commending them for having taken this step.

In the course of her statement the hon. member for Kingston and the Islands (Miss MacDonald) said that the basic problem was that the government did not have a minister responsible for housing who was able to exercise any real influence in the Cabinet. I want her and other hon. members to know that all those of us who support the government feel very strongly about the present minister; we support him wholeheartedly, and feel we are fortunate to have a minister who reacts so well and so courageously to the ideas presented to him.

The speaker for the New Democratic Party put forward the suggestion that it would be good policy to introduce a broadly-based scheme of rent control. Many people in the constituency I represent were faced with large rent increases last year, amounting to 25 to 30 per cent. It would be natural to suppose that their reaction might be to favour rent controls, at least to some extent. I wish to oppose this idea as strongly as I can. I believe the experience in Britain, in British Columbia, and elsewhere where it has been tried, has proved it to be altogether unproductive. The only answer to high rents is competition in the market place, and I do not think there is anything which could drive competition out faster than the imposition of rent controls. Rent controls are not the answer.

Mr. Gillies: You are opposing the Minister of Finance (Mr. Turner), I see.

Mr. Milne: Many speakers touched on the subject of land banking. This is a matter which has been talked about for many years, during which little has been done. I hope the provinces take up the federal government's program seriously and really get involved. It should be appreciated, though, that there is no immediate payoff. The payoff does not come until 15 or 20 years into the future. Still, if we do not make a start now, what is the situation in the future likely to be?

One of the groups involved in house construction is made up of builders of small and medium size. Many, if not most of them, have been forced out of business in the last few years by the high cost of land; they cannot afford to carry sufficient land on their inventories to build 30 or 40, maybe 100, new houses. As a result home-building is being left to the very large developers. If the provinces do not become seriously involved in the land bank program so that builders of moderate size may have land available to them on which to build, a large group of valuable people will disappear from the building field.

Many speakers have addressed themselves to the issue of the supply of housing and the seriousness of the shortage. Is it really a question of the supply of housing or of cost? If one looks at the housing market at the present time I think it becomes clear that there is a fairly large inventory of houses which are vacant and up for sale. This would indicate that supply is not really the overriding problem but that it is the cost of housing which really concerns people at the present time.

Mr. Gillies: Altogether wrong!