

on this matter. There would be problems of pricing, a guarantee of supply, and these might present obstacles in that direction. As congressional and U.S. government action to overcome the impediments in the way of proceeding with the construction of the trans-Alaska pipeline is not yet complete, it has not been possible at this point to discuss this proposal with the United States.

We are considering what action might appropriately be taken to minimize the risk to the environment if the United States could not go along with this proposal and tankers enter Puget Sound. The first, of course, is prevention. By this I mean traffic management, navigational aids, tanker construction, and so on. We are satisfied in our discussions with the government of the United States so far that the best that technology can provide will be provided in the construction of these ships and that their quality will be the highest so far developed in the shipping industry anywhere in the world. They will be as safe as modern technology can make them. Nevertheless, spills can occur.

The second point is clean up. We are in the process of developing a joint oil spill contingency plan. This will make available trained personnel and first rate equipment.

The third area of action is compensation for damage. We are currently to develop a set of principles between our government and that of the United States which will form a basis for agreement with the U.S. in dealing with the settlement of environmental disputes.

The fourth area of action is joint research into the impact on the ecology of the west coast of any oil spills. Meetings with the United States have taken place. We would like to have a comprehensive, joint Canada-U.S. research program in this field.

The Acting Speaker (Mr. Laniel): Order, please. I regret very much but I allotted as much time as possible to the hon. member and the time has now expired.

URBAN AFFAIRS—LAND BANK—INQUIRY AS TO AMOUNT OF LAND PURCHASED

Mr. Don Blenkarn (Peel South): Mr. Speaker, on July 3 I asked the Minister of State for Urban Affairs if he could give an accounting to the House of the land purchased under the \$100 million a year land banking proposition. Mr. Speaker ruled that the question I asked be put on the order paper. Fortunately an answer was given by the right hon. Prime Minister (Mr. Trudeau) on August 30 last—I might add, a flippant answer—to the hon. member for York-Simcoe (Mr. Stevens) as recorded at page 6068 of *Hansard* for that date, and I quote:

• (2210)

Since he is interested in land costs, I might refresh his mind by recalling that the government has already approved \$100 million per year for five years so that the provinces can embark upon useful land assembly programs. No province except Newfoundland has decided to act on this. I wish hon. members would urge provincial governments toward more action in this regard.

I am pleased that the Minister of State for Urban Affairs is here tonight because clearly that whole program of land banking has turned out to be as inept as we suggested it

would when the bill was presented to the House. With the exception of Newfoundland no province has bothered to take advantage of the scheme.

Two provincial governments have presented briefs saying that we do not need land banking today to solve the problem. We need land spending, because the problem is the cost of single family serviced lots on which to build. Since I spoke on this matter earlier this year the cost of a single family lot in the Toronto area has risen from \$18,000 to \$20,000, to \$22,000, to \$25,000, and in some cases to \$28,000 and \$30,000.

The time for action was last spring. Action is now needed more urgently than ever. The only way to solve the price of a commodity that is in short supply is to increase the supply. That is basic logic. That is something anybody can understand except the government. Having clearly been shown that its program for land banking is inept, the government should now use the funds set aside for banking land to spend land, to service land.

We have a limited supply of social capital in this community. While we have a sewer program under the National Housing Act, that program is clearly not enough. Some municipalities have sewer facilities, but they have not got water mains, parks, roads or commuter services. They have not got recreation centres and all the other things that go with the total package of servicing.

It is high time the government produced a program of loans and grants to municipalities that would make possible the servicing of land so that we could have land spending instead of land banking. Because clearly we do not need land banking. We certainly do not need \$100 million in land banking. We need as much funds as possible devoted to land servicing.

That proposal has been presented to the ministry and to the government by experts in every field. Yet the government still relies on the bankrupt ideas of its own advice instead of the current advice given to it by people in the development industry, by municipalities, by people who want to own homes, by builders who want to buy lots on which to build but cannot find them.

What we need is a comprehensive program that will deal with the serious problem of the shortage of serviced land. There are many other problems in connection with the building of houses. There is the high cost of mortgages at 10½ per cent. There is the tax on building materials. The economics of building are that for every dollar spent on land you need \$2 in buildings to make the project economically feasible. If the lot costs \$25,000 the house has to cost \$50,000 for it to be economically feasible. The minister knows this. CMHC knows this. Every trust company and bank in the nation knows it. If we are going to have houses at prices people can afford, we have to bring down the price of the land. Otherwise they cannot be financed. If they cannot be financed then people cannot afford to buy them. The only answer is to attack that horrible problem, the lack of serviced land. Not land banking, but something better.

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, it is a great pleasure to have another Tory position on housing and land assembly put on the record. When the National Housing Act was before Parlia-