

*The Budget—Miss MacDonald*

of the Treasury Board (Mr. Chrétien) of the government's new policy of openness, I will expect to receive from him wholehearted support for the reference of the capital spending budget of CMHC to the Standing Committee on Health, Welfare and Social Affairs so that its members might look into the operations of that closed shop from now on. I hope the minister will be able to live up to the commitment he made today.

Madam Speaker, housing is a social right in this country. Surely there should be no argument about that, yet there is less and less recognition of this fundamental fact of life by this increasingly cynical and callous government. The anxiety and anguish felt by Canadians from coast to coast—home builders, home owners, landlords and tenants—over the distressing housing situation in this country was intensified by the government's failure in its budget proposals to make any attempt to reverse the mounting social disorder which the current housing crisis is precipitating. Social disorder and inadequate housing are problems which the government constantly considers as unrelated, but study after study, such as the one undertaken recently by Professor Larry Bourne, director of the University of Toronto's centre for urban and community studies, foresees considerable social disorder and a violent political reaction if we fail to come to grips with our housing problems.

Last week's budget did nothing to allay these fears. Why? Is it because the government has not recognized the seriousness of the problem, or is it that it just does not care? For too long there has been false complacency on the part of the government that the housing crisis would correct itself if ministers collectively turned their backs on it or if those primarily responsible individually turned their backs when the ball landed in their court. We have only to look at what was said by the Minister of Finance (Mr. Turner) and the Minister of State for Urban Affairs (Mr. Danson) in their pre-budget statements to see how adept they are at turning their backs on the housing problem. Unfortunately, post-budget analysis bears out this dubious skill. These are the words of the Minister of State for Urban Affairs on May 16, 1975:

I have complete confidence that the Minister of Finance will take all these things under consideration when he brings down the budget.

He was referring, of course, to those factors which adversely affect housing and mortgage rates. Well, Madam Speaker, that confidence was badly shaken on budget night. Then again, on the same day, the Minister of Finance told us:

I have enough trouble scheduling meetings with my own colleagues in the provinces without being concerned in every detail with how my colleague—

That is, the Minister of State for Urban Affairs.  
—is able to achieve it.

Thus he very deftly turned his back on the situation. On May 23, the Minister of State for Urban Affairs threw the ball to his colleague the Minister of Finance. The Minister of Finance, he stated—

—is certainly aware of the problem. He gives it very high priority and understands its importance, not only socially but in the economy. He understands the urgency of the situation.

Given the budget proposals, the minister responsible for housing must now be entertaining very real doubts about

[Miss MacDonald (Kingston and the Islands).]

the way in which the Minister of Finance arranges his priorities or, indeed about the urgency he attaches to any situation. I call attention to the words of the Minister of Finance on March 10, 1975:

One of the government's priorities is to give sufficient leverage to the Minister of State for Urban Affairs to enable him to achieve a rate of housing starts equivalent to 210,000 a year.

That was in March of this year, Madam Speaker. How short is the memory of the Minister of Finance, how brief his commitment not only to the people of Canada but to his own colleague, the Minister of State for Urban Affairs, who last week backed away when invited to reaffirm that this minimum target of 210,000 housing starts would be achieved.

The Minister of Finance had the opportunity to honour that commitment of March 10. He had the opportunity to do so when he brought down the budget. But he failed to take it. His housing proposals are totally inadequate to meet the housing crisis. Again I ask, why? Was it because of lack of appreciation of the real situation? If that was the case, let me remind the Minister of Finance of the facts, the hard, cold, cruel facts which exist in Canada today with regard to housing.

The annually adjusted rate of housing starts for the first five months of 1975 is 176,000. The Economic Council of Canada states that 245,000 starts are needed this year. CMHC estimates that 230,000 new family formations will occur in 1975. The target of the Minister of State for Urban Affairs for this year was a minimum of 210,000 starts. Just last week he admitted that without considerable extra stimulation of the residential construction industry, that minimum target would not be met. By his own admission, as well as that of the agency for which he is responsible, there will be a shortfall of accommodation for some 50,000 family units this year. He looked to the Minister of Finance for help, and the Minister of Finance in his budget threw him a token 5,000 starts. That is one of the hard, cold facts in this situation, Madam Speaker.

● (1620)

The largest single expenditure in the budget of most Canadian families is for accommodation. In its direct lending programs, CMHC stipulates that shelter costs should not exceed 25 per cent of a family's budget; that is, if they are going to be able to meet the other necessities of life. Yet many lower income families are spending over 50 per cent of their budget on shelter costs. Not only does this reduce their capacity to buy other essentials, but at the same time, as the Canadian Council on Social Development points out, many of these people—something in the order of one million Canadian families—are inadequately housed. That is another hard, cold fact which the Minister of Finance has chosen to ignore.

It has been stated frequently in this House and elsewhere that the lack of rental accommodation, particularly in our urban centres, is at the crisis level. In many communities throughout Canada the apartment vacancy rate has fallen under 2 per cent, whereas the president of the Housing and Urban Development Association of Canada states that a vacancy rate of 4 per cent to 5 per cent is considered to be the very minimum for a healthy rental market. An average of 70,000 new rental units are needed