

The Budget—Miss MacDonald

ment was running at six per cent. Already government employment forecasts have proven that the figures in the minister's appended documents the other night are incorrect. They have proven to be incorrect because the budget projected a 7.8 per cent jobless rate for 1982 and 8.3 per cent for the following year.

We have already reached the rate forecast by the budget for 1983. It is already running at 8.3 per cent, and the worst of the winter's jobless figures are still before us. We have 10 per cent unemployment! We have another Liberal backbencher who does not believe that unemployment exists. At the present time it is at 8.3 per cent. Sadly, it may well go to 10 per cent in the months immediately ahead. We have great concern and we greatly care about that figure. I only wish the hon. member opposite would have the same care and concern. What does the Minister of Finance have to say about all of this? What does he say to the thousands who are unemployed? He says that they must wait until inflation comes down. That is cold comfort indeed for individuals who are struggling to feed their families or to keep roofs over their heads.

Unemployment and a stagnant construction industry are very closely linked. It is obvious to just about everyone in this country, except to some hon. members opposite, that we face a severe housing crisis. We need about 220,000 homes each year just to keep up with new family formations. Next year, Canada Mortgage and Housing Corporation forecasts that the level of housing starts will be 135,000. Last month it was only 104,000. However, that is only 60 per cent of the number needed in this country. That will be a shortfall of some 85,000 homes next year, and at what cost to the economy?

The Housing and Urban Development Association of Canada estimates that such a shortfall in homes would cost the country \$4.2 billion. That is what we are talking about in the way of a housing crisis. It also translates into 30,000 fewer jobs in the construction industry alone. Every job in the construction industry, analysts say, translates into three in related industries, and 11 more people out of work throughout the general economy. The housing crisis indeed reaches out like the fingers of a hand and touches every aspect of our economy, particularly lumbering and manufacturing. Thousands of workers in our lumber mills or in firms which manufacture household appliances and furnishings and building supplies are idle, and at what social cost to the nation, both in terms of lost productivity and in terms of higher pay-outs in unemployment insurance benefits?

Last Friday we received the news that Admiral of Canada laid off 2,400 employees. In my own riding of Kingston and the Islands, Du Pont has recently laid off 200 workers. This is a plant which manufactures synthetic fibres for carpets and drapes. Millhaven Fibres, another plant in that riding, has laid off 36 people. Canada Cement has laid off 110 people and Alcan has laid off 102 people. What kind of a winter can they look forward to? Thousands and thousands of Canadians have to face a long, cold winter without work. It will not be the grinch who steals Christmas this year, but it will be the

Minister of Finance, with the kind of budget that he has brought down this past week.

Unemployment and a housing crisis are closely linked indeed, and the social costs are very hard to measure. How can we calculate in dollars and cents the human toll which will be exacted? As people are forced to move out of their homes, we might logically expect to see increases in family breakdowns through divorce and separation, and increases in alcoholism and anti-social behaviour, whether that be family-centred violence or crime in the streets. The home, which is the traditional foundation for a strong family life, is under attack. We have seen evidence in the minister's own document that it has been stated and proven to him that people will have to double up and share homes with others. What kinds of strains and tensions will that create in our society?

The home was certainly under attack when the minister responsible for housing attempted to mislead the hundreds of thousands of Canadians facing mortgage renewal. He led them to believe that there would be assistance for them in the budget. He gave them every indication that there would be widespread assistance. Home owners came here on September 15 to protest the high mortgage rates, and he told them to grit their teeth and hang on until the budget. They gritted their teeth and they hung on, at great cost to themselves, until the budget. What did they find when that budget came down? What did the budget offer them? It offered a measly \$38 million in assistance to home owners, to be spread out among some 12,500 home owners considered to be in dire straits. Who will choose which ones of the many hundreds of thousands who are in difficulty will be among that select 12,500?

The budget does not begin to meet the needs of the more than 100,000 home owners who will have to spend more than 30 per cent of their income after renewing their mortgages this year. The minister responsible for housing has toyed with the emotions of Canadians, holding out some hope where there was none for them, buying time to save his own job. After today, I doubt that he will be able to do that.

Some hon. Members: Hear, hear!

Miss MacDonald: What a cruel joke it is to raise people's expectations only to dash them to the ground when it suits one's purposes!

Mr. Laniel: That's what the opposition has been doing for months.

Miss MacDonald: I would like to point out some of the people to whom that hope was held out, and to ask whether they will be included in the select group to which the minister will be doling out meagre assistance. I cite one example of a couple living in the city of Kingston who have a \$45,000 mortgage. Previously they paid \$424 a month for this mortgage. Now they pay \$683 a month. Their monthly net income is \$1200. The two people living in this home are an elderly couple over 60 years of age. Their mortgage payments now represent some 57 per cent of their monthly income, whereas previously their mortgage payments represented 35 per cent of