

Canadian Economy

I have the honour to be,
Sir,
Your obedient servant
André Garneau
Brigadier General
Administrative Secretary to
the Governor General

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

● (1800)

And being returned:

Mr. Speaker informed the House that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

Bill C-49, An Act to amend the statute law relating to income tax.—Chapter No. 26.

Bill S-6, An Act to amend the Canadian Wheat Board Act.—Chapter No. 27.

Bill C-51, An Act to increase the representation of the Northwest Territories in the House of Commons and to establish a commission to readjust the electoral boundaries of the Northwest Territories.—Chapter No. 28.

Bill C-228, An Act respecting the Electoral Boundaries Readjustment Act.—Chapter No. 29.

Bill C-229, An Act respecting the Electoral Boundaries Readjustment Act.—Chapter No. 30.

Bill C-365, An Act respecting the Electoral Boundaries Readjustment Act.—Chapter No. 31.

Mr. Speaker: It being six o'clock, I do now leave the chair until eight o'clock this evening.

At 6:08 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—REQUEST FOR NEW BUDGET TO IMPROVE CANADIAN ECONOMY

The House resumed consideration of the motion of Mr. Broadbent:

That this House urges the government to introduce, within two weeks, a new budget, for the purpose of dealing with the increasingly dangerous state of the Canadian economy, and specifically to cope with mounting unemployment, the housing needs of our people, and the scourge of poverty.

[Mr. Speaker.]

Miss Flora MacDonald (Kingston and the Islands): Madam Speaker, before the House rose for dinner I was pointing out that whereas the Conference Board of Canada and the Economic Council had expressed the view that 250,000 housing starts would be needed this year if we were to meet the demand in 1975, and whereas the minister himself had set 210,000 housing starts as his minimum target, figures for the first two months of 1975, seasonally adjusted, indicate a rate of 156,000 housing starts this year. This is, 54,000 housing starts below the minister's minimum target rate, and almost 100,000 starts below the minimum target rate set by the Conference Board and by the Economic Council.

What does this mean in terms of fewer job opportunities, reduced consumer spending and lack of buoyancy in the economy? To take the minister's own figures, his programs of AHOP and LD assistance will create 33,000 starts. His own optimistic prediction was that overall 210,000 starts would be achieved. We have already been given one set of figures which seem to be widely off base, and I suggest we should approach even those figures with caution. Moreover, direct AHOP funding was already in operation during the last quarter of 1974 when housing starts began to drop drastically. Even allowing for the minister's statement that AHOP was so successful that the funds dried up in October of 1974 and that new moneys were not available until the 1975 calendar year, we are looking at a 49 per cent drop in housing starts by comparison with January, 1974, and a further 44 per cent drop in starts for February, 1975 over February, 1974.

I think it is time we were given some honest answers by the government, an honest assessment of the proportions of the housing crisis and the importance attached to it on the other side of the House. We, on this side, are tired of the juggling of figures, the attempts to cover up the facts, the reliance on rhetoric to confuse the public, and the reliance on prayers to produce solutions.

No better example could be given of the minister's attempts to confuse the issue than his reply to my inquiry as to whether or not the increase of 12½ per cent in the capital budget of the CMHC was an indication of the importance the government attaches to the housing crisis. I was referring to an increase of 12½ per cent in housing at a time when overall government expenditures had soared by an alarming 28 per cent. The minister answered that non-budgetary expenditures, by which I presume he meant non-capital expenditures, were up by 66 per cent, offering great assistance to Canadians in the lower earnings brackets. The minister knows very well that these budgetary items which have increased by 66 per cent, and I can list them—housing research, sewage treatment, operating costs of present programs and losses resulting from operating public housing—do nothing to stimulate construction. They do not build one single house, create one single job, or stimulate the economy in any way.

My hon. friend from York-Simcoe has drawn attention to the extent of the increase in the government's estimates for the coming fiscal year—an increase of 28 per cent. Compare this with the increase in the capital budget of the CMHC. The 12½ increase in the CMHC budget is equal only to the present rate of inflation. The corporation's capital budget, the \$1.4 billion which does stimulate