

to another portable school. What we must do is attack this problem.

At present the federal government collects approximately \$400 million per year in sales taxes on building materials. This tax is charged at the manufacturers level. It is a tax collected on building, and a good part of it is a tax on shelter. From the point of view of the tax collector, then, the government has an interest in promoting construction. Eleven per cent of the cost of each brick used accrues to this government. Surely, part of this money, collected as a direct result of development, should go back to the communities that pay for the cost of development.

The responsibility of the federal government lies in the field of banking and finance. Therefore, the federal government ought to make block financing available to provinces and, if necessary, directly to municipalities, perhaps on some sort of bonus basis, in order to encourage more serviced land to be put on the market. Block financing would compensate municipalities and provinces and make development possible; also, it would make development less objectionable to local residents, because developers, municipalities and provinces could say that existing residents will be able to get social amenities in advance of new developments taking place. Block financing would encourage municipalities and provincial planners to allow development to take place, and ratepayers would recognize that new development in their particular area would improve their quality of life. Cash would be made available in advance for the erection of rinks, access roads and sidewalks; and rapid transit lines, schools and other amenities could be installed and operating in advance of development.

Existing populations in areas, instead of sensing that development would harm them or destroy certain activities in their communities, would welcome new development. If block financing were adopted, towns, cities and provinces would force development ahead, because they would not be penalized as a result of development activity. They would make sure, as well, that developers pay their own costs. They could put pressure on developers and on those who own blocks of available land and say, if you do not develop this land, we will tax you as if you had developed it; otherwise, there would be no control as to the amount of land that could be brought on to the market. The extra serviced land for development that might be brought on the market in the long run would drive the price of land down. No longer would owning a vacant apartment site be a good investment; no longer would the extra lot beside one's house be so attractive. In addition, as more serviced land would become available and as prices would fall, there would be less desire on the part of people to speculate in the land market. People would be discouraged from behaving like squirrels.

We need to get things back as they were. At one time there was a vacant lot down the street and another one across the street. You know, vacant lots in older communities added charm to those communities. We did not then develop the sterile types of communities that we now seem to develop. A few houses were built in one year, and a few more were built in another; a few vacant lots were filled in, and the community did not look as if it had all come off one drawing board, with three sets of plans,

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three different roof designs and front doors of three different colours. Our communities were worthwhile. That is the kind of thing to which we must return. We cannot continue building housing of such a kind that, when you walk into a subdivision, you can tell almost to the day when the houses were built and which monster building corporation built them all. This is not the kind of thing that ought to be encouraged, but that is the approach we have taken in the past; that is the way Central Mortgage and Housing Corporation operates and that is the way the present ministry, which adopts bandaid approaches, chooses to operate.

I now want to turn to the question of land banking. This particular program interests me, because it shows the velocity of this government in acting. Suppose the federal government were to utilize its money to buy land. In the first place, Mr. Speaker, the question arises, where? Around metropolitan Toronto and for some considerable distance outside Toronto, most of the land is owned by persons either using it for their personal recreation and enjoyment or by persons holding it and hoping to develop it. If the government were to buy land fairly close to metropolitan Toronto it would, in effect, be buying land from one proposed developer and, in reality, we should merely witness a transfer of title.

For example, suppose that the government were to buy land presently held by Don Mills Development Company Limited in the Erin Mills site, Mississauga. All that would happen in that instance would be that a corporate bum would get paid—I thought you would like that—for having done nothing to develop the land. It would in fact represent, again for my friends to my left, another corporate rip-off. Perhaps that is what the minister has in mind. The only alternative is for the minister to go out into the countryside where land is held by original farmers and create new towns there. That sounds very idealistic. However, new towns that were recently created in Ontario and everywhere else were not just created because someone decided to see them there. They were developed because of the economic interest of the people in the community.

• (1440)

A town develops because there is a railroad, a good harvest or a good mill site. It is certainly true to say that none of the towns in Ontario or, indeed, all of Canada, were started just because the land was cheap. If the federal government decides to buy land somewhere in the countryside, let us examine some of the first things that will follow from such a course. First, trunk road services would have to be built, to the site, as well as other transportation services, to connect the new development with the rest of the country. Having spent huge sums of money to make access possible, a reason for the town's existence would have to be created. The town must have business centres and industry in which people can work. Such development does not occur by merely wishing it. Each step along the path of development requires a huge loan, subsidy, grant or advance if it is to follow to a successful conclusion. Following this, construction must proceed. Roads must be put in, houses must be built, schools must be provided and all the services connected therewith.

Unless occupancy of the houses, factories and schools is held up until the whole new town is a cohesive unit, what