

*Oral Questions*

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, the budget provided an additional \$355 million to stimulate the housing industry. It also brought in two major changes to the Registered Home Ownership Saving Plan to stimulate home purchases and purchases of designated furnishings and appliances.

Madam Speaker, there are measures in the budget now. There is money being spent to encourage the building of housing. The Hon. Member cannot argue that we do not care for home ownership. The very recovery in that area is an indication that our programs have been working. Once again the Hon. Member is making a plea for the ever continuing and replenishing of funds. That cannot be done without increasing taxes, Madam Speaker.

## PLIGHT OF BUILDERS

**Hon. Bill Jarvis (Perth):** Madam Speaker, I have a question on the same subject directed to the Minister of State for Finance, who indicated last Thursday that housing starts were off to a very good start this year, and to quote the Minister:

We think that the industry is very strong.

I agree that there are encouraging signs of recovery. The great difficulty posed by the \$3,000 program is that modest sized builders, those building half a dozen or ten homes, pouring the foundations, are now in a position where, based on the expectation of that eventual home-buyer assistance, they will have a very difficult time moving those houses.

● (1420)

I am sure the Minister will be the first to agree that housing completions are more important to employment than housing starts. Does the Minister have any hope to give to those builders, not those applying for 50 or 100 permits, but those of modest size who have made these starts, poured the foundations, and find themselves in a very vulnerable position insofar as eventually being able to sell those houses is concerned, now that the funds have run out?

**Hon. Paul J. Cosgrove (Minister of State (Finance)):** Madam Speaker, those builders are no doubt comforted by the reduction in interest rates which have been on a trend downward for the last three or four months. In the long run that will probably be more efficient support to the housing industry and all other sectors of the economy. There is a general reduction in interest rates. The other factor that is equally as important if not more important than the \$3,000 grant is the security of Canadians who are considering the purchase of homes, knowing that this Government has put money into supporting job creation, supporting the continuation of employment for many people and many industries. Those two factors, with the commitment of billions of dollars, generally should provide the kind of confidence that consumers need to make that kind of purchase.

## REQUEST FOR REDISTRIBUTION OF BUILDING PERMITS

**Hon. Bill Jarvis (Perth):** Madam Speaker, I point out to the Minister that many builders have mothballed housing, including six homes in my riding in the last two weeks. Construction has stopped because of the fear of inability to sell eventually. Last Thursday the Minister of Finance indicated they would check on some of the larger builders who applied for 50 and 100 permits under the \$3,000 grant program. Can the Minister give some assurance that if the inspectors find that those larger builders do not in fact qualify, there will be a reasonable redistribution of permits among the small builders?

**Hon. Roméo LeBlanc (Minister of Public Works):** Madam Speaker, I apologize for being late. I was delayed at the very last second. We are trying to ascertain the size of the problem. Any program which comes to an end has this type of bulge at the very end. It is obvious that we had a rather unexpected increase in housing starts in the last half of April. We are now assessing the problem. We have asked our people not to take more applications. We will come up with some answers to some of the Hon. Member's questions I would expect within the next week or ten days. Meanwhile I want to reassure those who have put in bona fide applications that they will be given every attention possible.

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## MEDICAL CARE

## REQUEST FOR BAN ON USER FEES

**Mr. Bill Blaikie (Winnipeg-Birds Hill):** Madam Speaker, my question is for the Prime Minister. The Prime Minister will recall that just over a month ago I was urging the Minister of National Health and Welfare to bring in a Canada health act which would address the increasing incidences of user fees as a result of what had happened the night before, when Alberta brought in a new scheme of user fees. The Province of New Brunswick has just moved to introduce user fees for some hospital services, completing the prediction I made at that time, that we would see more of this if the federal Government did not act. When are we going to see some action on medicare?

When are we going to see a real proposal for a Canada health act that will address these problems, rather than simply letting medicare slide away while the federal Government waits for an opinion from the Department of Justice about what the constitutional possibilities are in this area? When are we going to have that opinion rendered by the Department of Justice, and when will we have a concrete suggestion from the Government?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, I do not believe the Hon. Member is reflecting the Minister's answer correctly when he talks about waiting for an opinion from the Department of Justice. The Minister has repeatedly in the past talked to the Provinces and intervened with them on this medicare scheme, which is a creation of the