

*The Budget—Mr. Joyal*

In Montreal, at least 15,000 units should be started to meet present needs. If this objective is to be reached, we shall bring basic changes to our housing concept. It is essential to establish a ceiling for land prices. In fact, in the budget speech, the Minister of Finance (Mr. Turner) mentioned a policy that would allow land owners to put back in the economic system their enormous stocks of land instead of waiting the effects of inflation before releasing them.

On the other hand, when it comes to skilled labour, the figures given by manpower reveal a surprising shortage. In fact, even with a relatively high unemployment rate, there is a shortage of skilled labour in housing.

In my opinion, Mr. Speaker, all the regulations concerning the proficiency certificate should be reviewed. When a young man gets laid off, the months of training he has accumulated are lost and he must start all over again when he goes back to work. He therefore loses his apprenticeship days and this has for immediate effect that young workers, which should normally constitute one of the main strengths of our economy, lose interest in the building industry.

On the other hand, as concerns building materials, I was very happy of the announcement made by the hon. Minister of Finance concerning the reduction of the 11 per cent sales tax. Like my opposition colleagues, Mr. Speaker, I have for several years emphasized the effects of such a tax on the building market. I whole heartedly support the Minister of Finance when he states that the present situation allows this reduction. However, I wonder what effect it will have. In fact, like all my colleagues, I sincerely hope that the reduction will be passed on to the consumer and will not be pocketed by the contractor.

However, Mr. Speaker, Canada has a free-trade policy for building materials. I believe that it is time that this policy be reviewed and access to materials regulated. There again, Mr. Speaker, we are completed by today's situation to make an in depth review of positions that we have always believed to be immovable.

The economic effects of regulations aimed at controlling rent increases should also be reviewed. It is now impossible to judge if the tendency towards higher interest rates is caused precisely by this factor. Our sub-contracting system should also be reviewed. There is considerable outbidding by sub-contractors on the financial market. This outbidding has nothing to do with the cost of materials and manpower. It is caused simply by an increase in demand and there is no reason, Mr. Speaker, why the required regulations in this area should not be implemented.

I also want to deal with the cost of money for apartment buildings starts. This aspect is a most important one, Mr. Speaker. Tax concessions which might be granted to investors in joint housing should be re-examined in the near future. There could be loans, tax cuts, measures to stimulate investments primarily into that sector, forgetting for a while commercial and office space investments.

I would also like, Mr. Speaker, to draw the attention of the municipalities to a certain form of municipal by-laws. In today's context, the contractors are quite often responsible for sewerage the land. The city supervises and

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approves. In my opinion, Mr. Speaker, a contractor making profits with such services should no longer be allowed to do so. The municipalities should be the sole contractor responsible for the installation of such services in new developments.

It would also be important that the Central Mortgage and Housing Corporation review its standards. I feel that the standard of 22 per cent of gross income is no longer in line with reality. The increase in salaries and household costs are such that the standards now applied by the Central Mortgage and Housing Corporation no longer reflect market constraints.

I would also like to point out, Mr. Speaker, the need to provide the Central Mortgage and Housing Corporation with a committee on the economic situation. Such a committee would allow the Corporation to adjust its policies and programs in line with market developments.

Finally, Mr. Speaker, I would like to stress the effects on the housing market in Quebec of an agreement passed in the month of July last between the Central Mortgage and Housing Corporation and the Quebec Housing Corporation. Under that agreement the Quebec Housing Corporation becomes the only implementer of housing policies in Quebec with the funds of the Central Mortgage and Housing Corporation. That agreement will have two effects.

In the first place, public housing is no longer owned by municipalities but by the provincial government. On the other hand, Mr. Speaker, I do not believe that the results will be achieved directly through the centralization of a bureaucracy that should remain at the citizens' level. I am perfectly aware that the provinces should be implementers of housing policy in certain areas, but I personally feel deep concern that in the present context we should no longer leave to other levels of government a responsibility that lies squarely and mainly within federal jurisdiction.

Finally, Mr. Speaker, I would mention one of the main features of the budget speech, and by that I mean the statement by the Minister of Finance that in the current inflation period, no group will use any measure of restriction unless they know other groups will do the same. Each group has a tendency to protect itself against the highest rates of inflation it anticipates. In fact, Mr. Speaker, the minister of Finance is referring here to the inflationary escalation. In this context, groups in short are forced to protect themselves against whatever the economy can offer them. I recall that during these last few months we paid visits to food stores where the management had deliberately changed their prices even though they had been supplied with products at prices lower than what is now being asked for the same products on the market. I am anxious to see the hon. Minister of Consumer and Corporate Affairs (Mr. Ouellet) get the approval of this House on the bill which will limit excessive profits and impose drastic controls upon these double prices.

I would like in concluding to emphasize one of the most significant elements in today's political situation. It concerns all the social groups, the community organizations which are working out plans to protect themselves and to make the public aware of the needs of their membership. In recent years, we have witnessed the coming on the Canadian political scene of a variety of Canadian committees and community groups banding together to oppose