

to move very much more quickly. We feel that this new measure will help immeasurably so long as the funds are there.

My people from CMHC are in touch with lenders all across the country making certain they understand the program. They are getting a reading on the sort of programs there will be. I was in Montreal just the other day, where I spoke to several lenders. I was somewhat encouraged by what I heard. So this cannot be a firm commitment, it is subject to general economic circumstances across the country, but we have the tools to do the job and I am darned sure we will do that job in the best way it can be done this year.

Mr. Paproski: How many single dwellings?

Mr. Danson: I shall not become involved in the numbers game of single family versus multiple family dwellings. My hon. friend from Edmonton Centre (Mr. Paproski) recognizes that the need for rental accommodation is extremely important. It is the closest thing we have to a crisis today, with vacancy rates hovering below 1 per cent in most major cities in this country. The pressure on rents is building up. This, of course, must be a very high priority which my colleague the Minister of Finance shares, and one which my colleagues in the provinces share with me.

I am enough of a realist to realize that it takes a great deal of teamwork in this whole exercise to make it work. I am talking about team-mates in the provinces, in the municipalities, the lending institutions, the tenants associations, the co-operative and non-profit groups, the Metis and non-status Indians, as well as many others. This is the sort of teamwork we need, to pull together and to serve the people of Canada. There will not be lack of concern or lack of teamwork. But this teamwork is not working without difficulty. There are difficulties. There are political and other situations, but there will not be any lack of effort or commitment on my part or on the part of this government.

We have a much better chance of succeeding and maintaining the inherent strength of our economy by taking these tough measures at this time. I am not referring to housing measures. They are liberalized. I am referring to the tough posture that it is necessary to take at this time. I know that many people are disturbed by some of the measures, but most Canadians will realize that although it is uncomfortable, in the long run we will continue to enjoy the stable growth to which we have been accustomed and in so far as housing is concerned we will continue to have, in both quantity and quality, the best in the whole world.

● (1240)

Some hon. Members: Hear, hear!

Mr. Danson: This is not by accident; it is by design that this government has increased the budget for housing year after year since it came into office. I hope this growth will continue. Canadians are faced with a challenge which they expected. They may like it, or not, but they are prepared to face it. They have realized in recent months, if not in recent years, that the rates of growth and the expectations have been realistic and we are realizing them, but also that they were unsustainable and in some

The Budget—Mr. Orlikow

cases downright immoral in a world where we have learned to think in terms of shortages of our resources.

My colleagues on this side of the House, on that side of the House and down at the end of the House appreciate the situation as it is. We are committed at the very highest level to continuation of the best direction in housing we can get this year, especially for people in the lower middle-income group who have the toughest time. That is my commitment to the House.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, this country is in trouble. We have an unemployment rate, seasonally adjusted, of over 8 per cent, an increase in the cost of living and an increase in the rate of inflation higher than we have had since World War II. All the predictions which the Minister of Finance (Mr. Turner) made in his November, 1974, budget have proven to be incorrect. His prediction that we would have a real growth rate of 4 per cent this year has proven to be completely illusory, as most of us on this side of the House said when he made it last November.

Faced with that, and faced with demands from many sectors of society that the minister do something, he brought forth a budget—but not the budget he would have wanted to produce. We have it from reliable sources that in fact the Minister of Finance went to cabinet with the proposal that they implement, by statute, wage and price controls and that he balance the budget by cutting expenditures by \$5 billion. Fortunately, the cabinet was much more realistic, in terms of what the cost to the economy and to the social fabric of this country would be, and rejected those proposals. So the minister, still feeling that he had to respond to the newspaper columnists and the editorial writers who were saying that something had to be done, brought forward a budget. Let me quote from a report of the speech the minister gave yesterday in Toronto which appeared in today's *Globe and Mail*:

Canadians have to convince themselves that there are no easy or even consistent solutions—and certainly no painless ones—to the economic problems of inflation, recession, the energy shortage and the difficulties in developing new energy supplies, according to finance minister John Turner.

Then he said that the budget is not just an economic document, it is also a "human, psychological and political" one. He said that the finance minister has a responsibility "to make a statement of accounting to the people—where we are, where we are trying to go and how we will get there". How the minister proposes to get there is pretty obvious when you look at his budget. His proposal to change the unemployment insurance system is in fact a tax on working people, and to the extent that the increased costs are met by the employer it will be a tax on the consumers.

His gasoline tax is one of the most regressive taxes ever proposed by any finance minister in Canada. His proposal to reduce the share of the money spent to provide hospital care from the 50 per cent which the federal government has paid will be a direct charge on the people of Canada through increased costs to the provincial governments, and his proposals to add \$200 million to the budget allocated to housing would be a joke if it were not so deadly serious.