

very markedly. At the same time the number of housing starts in Canada have been reduced at an alarming rate.

• (2050)

I am speaking from memory, but it seems to me that last year we built over 250,000 homes, and this year the Minister of State for Urban Affairs (Mr. Danson) has said that the objective of the government is to build 210,000. Why are we building fewer homes? Why has the minister set a goal of 40,000 homes less than last year? Is it because we do not need the houses? Of course that is not true. Hundreds of thousands of families in Canada need housing or are living in inadequate housing.

In my own city of Winnipeg there has been a substantial increase in the number of units built for public housing in the half dozen years, but there are still 1,500 families who have indicated to the housing authority that they need accommodation. Yet the federal government is cutting back on the money it makes available to the provinces.

How many of those 20,000 unemployed workers in British Columbia could go back to work if, instead of the 210,000 units which the minister proposes to build, we were to build the 300,000 that are required? We have the resources, Mr. Speaker—the lumber, the copper. Workers who produce refrigerators, electric stoves and gas stoves needed for new houses have been laid off in large numbers because of the drop in housing starts in Canada. Why did the Minister of Finance not get together with the Minister of State for Urban Affairs and set a goal which was realistic, and which would put people back to work?

In the province of Manitoba we had a program which put several thousand people to work these last few winters when unemployment was high. The provincial government developed a program under which any old age pensioner who owned a home which needed repair could get up to \$1,000 for improvements. That is a socialist government, but why does the Minister of Finance not consider such a program nationwide, financed by the federal government? I can assure him that most old age pensioners living in their own homes cannot afford to make the necessary improvements to the heating system, the plumbing system or the insulation. Why does the minister not consider that type of program instead of the tax concessions he has given to those who can do without them?

But what did the minister do? Speaking to the Toronto branch of the Canadian Club he said that we are going to need a system of voluntary restraints, that everybody will have to tighten their belts. Let me quote two paragraphs from his speech. He said:

Now the major driving force is coming from the rapid escalation of wage and salary costs as those who work in every country press for increased incomes to at least keep pace with the rising cost of living...

If we can succeed in reaching some national understanding on goals for moderating the rise of costs and prices, we may hope not only to bring inflation under control, but also to reduce the industrial strife which impedes our economic expansion.

Income Tax

Where was the minister in 1972, Mr. Speaker? Where was he in 1973—where was he in 1974 when profits were going up by 15 per cent to as much as 100 per cent, in some cases, for the large corporations? Was he preaching restraint then? Was he calling for the corporations to moderate their profits and to cut prices? He was conspicuous by his silence, Mr. Speaker. In those years wages were not rising enough to meet the increasing cost of living, but the minister was silent about profits.

Now when wage contracts, which in many cases were signed before this very sharp increase in company profits, are coming up for negotiation, workers are going to the bargaining table wanting to make up what they lost. They want also to be sure that wage and salary increases will protect them against the 12 per cent inflation forecast for 1975. And, suddenly, the minister gets religion. He calls on the workers to show restraint.

I do not know how the minister can have the gall, the brass, having been converted at such a late date, to ask one of the sectors of the economy which has suffered most from inflation and exorbitant profits, to be sensible, to be moderate in its demands. If the minister really believed in restraint, he should have talked about it last year, and the two or three years before. It is far too late now.

The real problem facing this country is unemployment. There are now more than 40,000 auto workers unemployed in the province of Ontario. If we keep in mind that one job in seven in that province originates in and around the automobile industry we can see the severity of the problem. Ontario is the largest and wealthiest province and it sets trends, good and bad. It is not just the 40,000 automobile workers who are affected but those who produce the steel, the copper, the zinc and the nickel which go into automobiles. It is the people who produce glass, rubber and everything else which goes into an automobile who are adversely affected by the slowdown in the automobile industry.

• (2100)

Can we do something to help? The automobile companies, which in the last 25 years have made increasingly large profits, and charged more and more every year for their automobiles, when suddenly faced with a tremendous backlog of unsold cars in the United States and, to a lesser extent, in Canada, have suddenly offered rebates to purchasers of their cars. The rebates range from \$200 to \$500 per car. I said earlier that the profits of Chrysler Canada have increased tremendously in recent years, and Chrysler is not the most profitable of the big three auto makers. The automobile companies could well afford to offer rebates; their profits were so large that they could have cut their prices at any time.

When the Canada-U.S. auto pact was first brought before parliament for approval a number of years ago, we were told that the price differential between a car sold in Canada and a car sold in the United States would be reduced, and indeed eliminated. Under the pact, automobile production has been rationalized, so that in Canada we now produce a smaller number of car models.