

*The Budget—Miss MacDonald*

annually to meet this goal. This year the number of starts in rental accommodation has fallen to barely half the requirement. The minister's budget proposals have done almost nothing to alleviate this shortage, with the result that the crisis we face in apartment space this year will have developed into an absolute disaster by this time next year, particularly in our metropolitan areas. This is another hard, cold fact.

The rural and native housing program which was introduced with such ballyhoo over a year ago was expected to provide 10,000 new units this year, particularly in areas where the private sector traditionally has had neither the incentive nor the initiative to enter into building programs. The government's own program was to provide 10,000 units this year, yet figures show that only 400 new units have been started to date. What about the expectations of the other 9,600 families? The Minister of Finance obviously does not care. That is another hard, cold fact.

One might be inclined to dismiss these statistics as clinical data if they did not bear so directly on the most significant factor in our lives—the way in which Canadians are housed. But these statistics are danger signals, obvious enough for even a government as obtuse as this one to see, that the shortage in housing accommodation and the woeful inadequacy of rental accommodation is increasing rather than decreasing. But the government chooses to fly in the face of these danger signals. The housing measures in the budget are but the latest confirmation of their lack of concern for, or even their lack of recognition of the problems that proliferate while they procrastinate.

This budget has left me with a sense of outrage which is shared by home buyers, builders and economists—in fact, by all concerned Canadians—outrage that a government would introduce such paltry measures at a time when the need for major measures is so desperate. Is the government so blind that it fails to see the magnitude of the crisis? Does it not recognize the ingredients in the problem—the shortage of mortgage money, the high cost of money, the high cost of land and the strangling web of bureaucratic regulation? Given the clarity of the issue, must the government diffuse or distort the true picture with unrealistic responses?

The Minister of State for Urban Affairs has been deluding himself for so long that he is not even aware when he is making misleading statements. In ringing, Churchillian prose he declared last Friday that “never in the history of federal government housing programs has everything moved so well with such success for the right people in the right income ranges”. However, what about those people who are not in the minister's so-called right income ranges? How many of the 230,000 new household formations that will need homes this year are in the right income range? How many of the one million Canadian families that are inadequately housed are in the right income range? And of the families in Canada that are in the right income range, what percentage is, in the minister's words, “the right people”?

On budget night, the Minister of Finance promised that the Minister of State for Urban Affairs would give us the breakdown of the additional moneys allocated for housing by program and by province. I fully anticipated the Minis-

ter of State for Urban Affairs to do so when he spoke, but he did not. So a lot of Canadians are wondering today if they meet the minister's qualification of being the right people in the right income range.

The minister has belatedly arrived at an acknowledgment that some of his hastily devised programs are not working even for the right people in the right income ranges, whoever they may be. Take private AHOP, for example. Recognizing its shortcomings, the minister is now attempting to shift the blame for its failure to the opposition. He pleads that the program has been in operation for only two months. The legislation received royal assent on March 26 of this year. By any calculations but the minister's, surely the program has been in operation for three months. The delay is in the mind of the minister or his officials.

On several occasions the minister stated that the legislation regarding private AHOP was held up in committee, but let me put the record straight, Madam Speaker. The legislation which the minister anticipated would revitalize the residential construction industry was presented to the House for second reading on January 27; it was in the House for debate for four days only but was not referred to committee until February 27. In all, there were only six committee meetings between March 6 and March 20. Some of these were needed to hear witnesses who were able to contribute useful information, information which was not forthcoming from the minister or the president of CMHC.

The minister complains about delay, but what about his delay in explaining the bill to the lending institutions so that they would be prepared to take immediate advantage of it? If the Minister of State for Urban Affairs had really been serious about his sales pitch to the lending institutions, I suggest, without trying to deflate his ego, that he would have been better advised to persuade the Minister of Finance of the benefits and the urgency of this program. Then together they could perhaps have gone out hand in hand to the lending institutions. But they did not; rather, the two ministers were operating independently and at odds so far as private AHOP was concerned. It is time these two ministers recognized that housing is influenced by capital markets and that capital markets influence housing.

● (1630)

The Minister of State for Urban Affairs, in his participation in this debate, said:

Clearly there are very heavy demands on capital markets and, secondly, there has been a scarcity of capital funds for new residential construction in the lower and moderate income ranges.

That was scarcely news, Madam Speaker. Indeed there are heavy demands and a scarcity. But why? I suggest it is because the Minister of Finance is busily floating bond issues for government programs other than housing and taking money out of the market. These are funds that might have been directed to the private AHOP program the Minister of State for Urban Affairs is so anxious to develop. The minister can look for scapegoats, but perhaps the first one he should look to is his colleague, the Minister of Finance, whose policies have been responsible for depleting the market of mortgage moneys.