

*The Budget—Mr. Danson*

provincial or municipal denominations on dollars that are provided to build homes. If the provinces put up their own money for housing—as Ontario did recently—then I am the first one to commend them for it. This meets the problem between the have and the have-not provinces. The have provinces are able to do these things; they have developed the delivery mechanisms to use up their funds more quickly. It is much more difficult for the have-not provinces even to accept some of the programs, because some of them involve shared costs and they do not have the funds to share the costs. This is another problem with which we struggle. Usually the most vocal provinces are the wealthier provinces. This I find somewhat disturbing. I hope they understand the priorities we must have right across the country for the less favoured parts of the nation. I think we can achieve many more results by our actions than by our rhetoric, and especially rhetoric through the press. We all represent the same citizens; they are the same voters and the same taxpayers. We have that basic responsibility to them.

● (1230)

The third main area with which I wish to deal concerns the remarks on the budget measures for housing which have been made thus far by hon. friends opposite. I do not intend to deal with them on a point by point basis in this particular discourse, but I should like to congratulate hon. members on the sincere and useful contributions they have made to the debate. It is my impression that the contributions and advice dealing with housing measures in the budget have been given responsibly and were founded on sincere, honest convictions for the most part. There are obvious points of disagreement or differences in judgment and, I regret, some startling disagreements in arithmetic. However, I wish to take fully into consideration the points that have been made.

We cannot be all things to all people. We are proceeding on the basis of factual, not theoretical, knowledge concerning what we know we can do in the remaining months of this year. As I said, I do not take hon. members' advice lightly. I know we can deliver good housing for Canadians with the programs we now have. These are programs for which people are actually lining up. The success has been phenomenal. Without this infusion of funds, these programs would have had to be severely restricted. Now they can be continued. That is not to say they are engraved in stone for all time; we are constantly reviewing their effectiveness. There are no other shoes to drop; these are the programs for this year within the limits of the funding, and I think people realize that we intend to get on with the job.

I listened with considerable interest to the proposals made by hon. members opposite, which I will take into any further deliberations with the provincial ministers. I want to do everything to ensure that my remarks are, mercifully, as brief as possible. I know that is a disappointment to my hon. friends opposite. I will begin to conclude by dealing with the over-all housing start picture for 1975 as I see it at this point in time.

As hon. members know, the goal I set when assuming this portfolio last August—not quite a year ago—was 210,000 starts. That was the figure considered to meet the requirements of Canadians for 1975—the net figure on net

[Mr. Danson.]

family formations. I admit it is not what we would like to achieve; we would like to do better still. However, under current economic conditions I cannot guarantee we will achieve even that objective in the current economic climate. I will do everything within my power to come as close to it as I can, not because of a numbers game but because I recognize these figures represent the fulfilment of the aspirations and needs of very many Canadians. I look forward to the time when we can do longer-range planning. We must work within annual budgets. We need longer-range planning to smooth out the hills and valleys in the housing picture.

**Mr. Stanfield:** We have heard that for years.

**Mr. Danson:** My provincial counterparts and I are addressing ourselves to this problem, as are my officials at CMHC. I recognize that the Leader of the Opposition (Mr. Stanfield) said we have been trying to do that for years. I do not suggest it is an easy job. I just say I will try to do it, I am looking for ways to do it. We are moving in an extremely thorough way, because it takes that sort of thorough and exhaustive examination. I do not say I have the perfect solution. I think we can do better than we are doing now, so does the president of CMHC, and we are determined to try to do so. It is necessary that we have an industry that is geared up. The suppliers are geared up. Employment is more certain and people know where they are going. We will have a much more stable industry, which is better for the economy, is more efficient, will bring down costs for the consumer and also make our programs go even further.

The \$200 million budgetary increase, which gives us an over-all budget of \$1.2 billion for housing, will help significantly toward that goal, provided it is all taken up. The increases in home ownership and rental assistance grants should also help achieve that goal. As I stated, that mark is difficult to judge at this moment. When we originally brought in that legislation, the lenders were enthusiastic. They had the funds. There were what I believe to be unconscionable delays in the committee. I pleaded with the committee to get the bill through quickly because I was afraid of what in fact happened. The market changed. Economic conditions changed in the meantime, and I regret that the lenders then had moved into the retail market. The capital market had been restricted.

**Mr. Alexander:** That is an irresponsible statement.

**Mr. Danson:** There were greater demands upon the capital market because of the difficulties in other countries which are normally capital markets. I should like to quote from the transcript of that meeting. I offered to sit 24 hours a day, all through the weekend, if we could only get the legislation through. I shall not go into the details; I only refer the hon. member to the transcript where I said those things.

Unfortunately, for a number of reasons—I am not criticizing individuals because they were examining important legislation very carefully—the situation did shift in the meantime, did change, and it is now just coming back. We must remember that under the Assisted Home Ownership Program those funds are not expended generally until the homes are built. In the limited dividend program we start