

**Mr. Fraser:** Is the minister telling the House that the standing committee will study these reports before any final decision is made as to whether the government is going to go ahead with the new proposed runway at Vancouver International Airport?

**Mr. Marchand (Langelier):** Unless there are good reasons not to, that is what I intend to do.

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## HOUSING

### PROPOSED REMOVAL OF INCOME AND COST RESTRICTIONS IN PRIVATE AHOP PROGRAM—POSSIBLE REDUCTION IN MORTGAGE INTEREST RATES

**Miss Flora MacDonald (Kingston and the Islands):** Mr. Speaker, my question is to the Minister of State for Urban Affairs. Outside the chamber the minister has now revised his target for housing starts downward to 180,000.

**Some hon. Members:** Oh, oh!

**Miss MacDonald:** That is a 15 per cent drop from his original estimate. In view of the fact that demand continues well above the 200,000 level, and given some of his other comments, will the minister now move to stimulate supply by removing the restrictive income and cost regulations of private AHOP and introduce a single control factor in order to rescue the program from obvious failure?

**Hon. Barney Danson (Minister of State for Urban Affairs):** Mr. Speaker, first, I did not give that figure. It was one which was speculated upon by a journalist who is well aware of the circumstances. He tried to put those words into my mouth.

**Some hon. Members:** Oh, oh!

**Mr. Danson:** In any event, it was an educated guess by a very concerned journalist. It is not my figure. The fact remains that the private AHOP program is one on which I am working closely with the private lenders now. I am getting in touch with all the heads of the lending institutions across the country to determine the real nature of the funding they have available for this. They showed great enthusiasm for it, but I have not seen the action I would like to see. I will not consider the program a failure until I have gone through that procedure. This is why I am not revising figures. The 210,000 figure was a net figure which we all agreed was needed to break even this year. I regret that it is unlikely we will make that figure. I do not want to settle for a figure lower than I have to, and I am going to try for the maximum possible.

**Miss MacDonald:** Is the minister prepared to give a figure to the House at which he is now aiming? Further to his other comments, and in order to prevent a further downward revision before the end of 1975, could the minister tell us how successful he has been in persuading his colleague, the Minister of Finance, to introduce the action he has recommended to slow the spiral of rising interest rates?

## Oral Questions

**Mr. Danson:** I do not know to what recommendation my hon. friend is referring. In this case I am trying to say that I am not satisfied with anything under 210,000. I realize the great difficulty in a year of slow economic activity, shortage of mortgage funds and high cost mortgage funds, but I am not giving up by naming a lower figure because I want to get as close to that higher figure as possible. I am going to continue to press builders and lending institutions for this higher figure. I am going to settle for that, and I will be happy with nothing lower.

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## FINANCE

### MINISTER'S VIEW OF THE FUTURE OF INTEREST RATES

**Hon. Marcel Lambert (Edmonton West):** Mr. Speaker, in view of the fact that one of the major U.S. banks has recently raised its prime rate for the second time, I wonder whether the Minister of Finance accepts that the decline in the prime rates and in interest rates has bottomed out. While he did not speak about it in his budget, what does he see now as the future of interest rates in the short term in Canada?

**Hon. John N. Turner (Minister of Finance):** Mr. Speaker, the hon. gentleman is as knowledgeable as anyone in the House on these matters, and he must know how precarious it would be for me to predict either movements of exchange rates or interest rates and thus allow the market to take a position for or against that statement.

**Mr. Lambert (Edmonton West):** In view of the fact that the policy of the central bank has been for the maintenance of higher rates in order to counter a debilitating decline on the international account, would the minister say what the policy of the government is with regard to the movement of the interest rate at the present time? Is there an influence for a lower rate in order to help his colleague, the Minister of State for Urban Affairs, or is it toward an increase in the rate in order to preserve the Canadian international monetary balances?

**Mr. Turner (Ottawa-Carleton):** Neither, Mr. Speaker.

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## MANPOWER

### LAY-OFFS BY SYDNEY STEEL CORPORATION AND CLOSURE OF TOYOTA ASSEMBLY PLANT—GOVERNMENT ACTION TO PROVIDE JOBS

**Mr. Robert Muir (Cape Breton-The Sydneys):** Mr. Speaker, my question is for the Minister of Manpower and Immigration. Considering the seriousness of the question, I am sure he has been alerted by his staff. In the light of the further disturbing and unfortunate announcement over the weekend by the president of the Sydney Steel Corporation that another 300 employees are to lose their jobs, adding to the approximately 500 who have been laid off since March, what has this government planned to provide alternative employment?