

To stimulate housing

# Contingency plan ready

Urban Affairs Minister Barnett Danson intends to present a contingency plan to the federal Cabinet to cope with the still-depressed housing market in Canada.

A spokesman for Mr. Danson's office said in an interview that new initiatives will be sought to get a recovery of new housing starts.

In a speech to the Urban Development Institute, Mr. Danson said he remains "optimistic" that the number of housing starts can be increased this year "to the point where it will meet all of the requirements of our growing population and the demands of new households being formed."

However, in an interview after his speech, he expressed concern about the level of starts. "If I wasn't worried when I saw the March figures of 138,000 starts, I wouldn't be doing my job."

He declined to discuss details of his contingency plan. "It seems if we're going to get 210,000 starts, we're going to have to put more in."

The gloom in the housing market has taken on added dimensions in

recent weeks with the evaporation of mortgage money. The tight liquidity situation in most trust companies, which provide the greatest proportion of mortgages financing in Canada, comes at a time when many builders are seeking funds for the spring building season. Although many builders have already obtained funding commitments, others left it until the last minute, hoping to catch interest rates at their lowest levels. Lenders report a strong demand in recent weeks for almost all types of mortgage financing, and a resulting strain on their treasuries.

Most industry officials are becoming increasingly pessimistic about the housing outlook this year. Some strength had been expected to show up in the spring and summer in new starts, following an increase in the sales of existing houses.

Keith Forley, president of Richard Costain (Canada) Ltd. of Toronto, feels housing starts will probably reach 180,000 for 1975. Housing starts in 1974 came to 220,000 units, compared with 268,000 in 1973.

The latest figures are the lowest since 125,900

starts were recorded in May, 1970. Some officials expect figures for future months to fall to or below this level because mortgage loan approvals are running below the rate they were during the previous recession in 1970.

The most serious problem with stimulating starts is in the area of rental housing. Developers say new

rental projects are uneconomic at current rent levels because of high construction and financing costs.

Lawrence Shankman, president of Consolidated Building Corp. Ltd. of Toronto, said a developer cannot make money even when applying for assistance under the federal Government's Accelerated Rental Program.

## Birth rate dropping

The shortage of housing in Canada may be causing a decline in the birth rate as young couples put off having children because of an inability to afford a home, according to Desmond Newman, mayor of Whitby.

In a speech to the Urban Development Institute in Toronto, Mr. Newman noted that the 1973 rate of 15.8 births per thousand is one of the lowest ever recorded. "Never in the lowest depths of the Depression did people stop having children like they are now."

Although there are other factors responsible for fewer births, such as a greater number of women in the work force,

Mr. Newman maintained that the shortage of housing has alarmed many young couples enough to force them to postpone having children.

He expressed concern over this in terms of the future of society. "Families are spending more on recreation... It's a live-for-today type of existence."

"It's one of the most depressing comments I can make."

He suggested that the shortage of housing is the result of an "incomprehensible maze of bureaucracy" and "misplaced initiatives" on the part of all governments.

Part of the reason for the housing crisis is the almost bankrupt con-



## 90-day approvals for subdivisions

Subdivision plans will be processed in 90 days under streamlined procedures being implemented by the Ontario Ministry of Housing, according to Margaret Scrivener, parliamentary assistant to Housing Minister Donald Irvine.

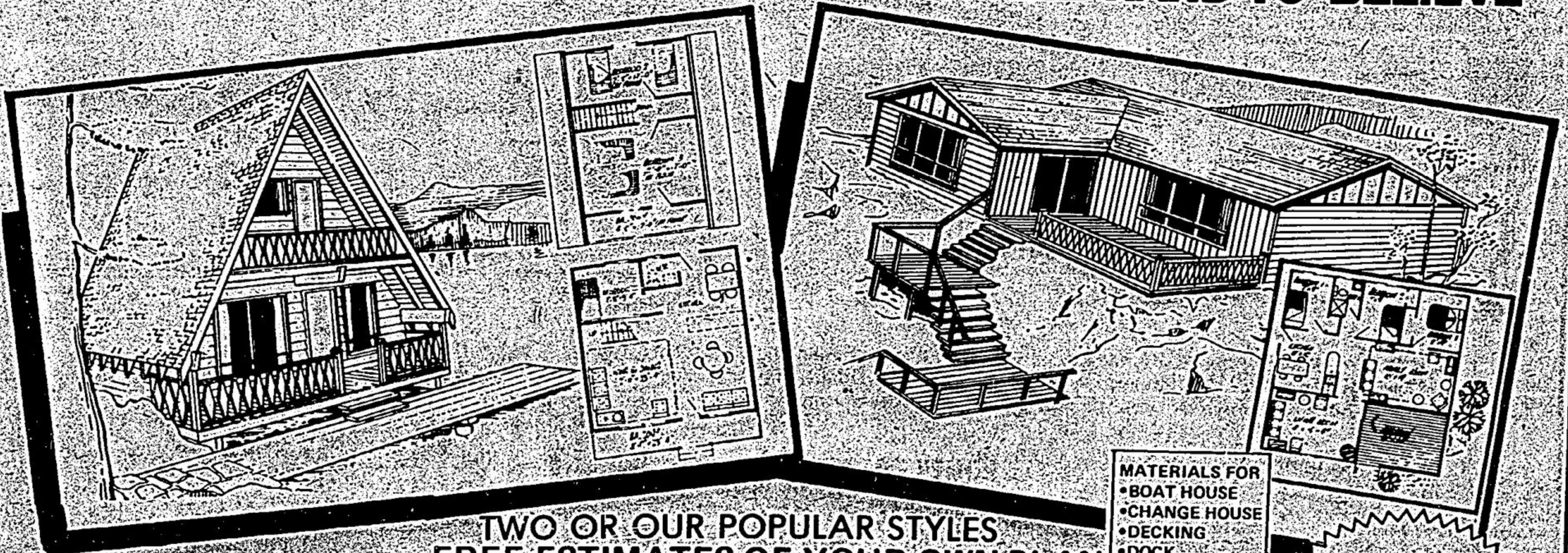
Speaking to the Urban Development Institute in Toronto, Mrs. Scrivener said the provincial Government's goal is to speed up the processing of subdivision applications. Plans are clearing the ministry in six months at present.

However, she noted that any applications for a subdivision agreement would have to come to the Government in completed form for the speedup process to work. She also said the provincial speedup is separate from approvals required from municipal governments.

AT RATCLIFF LUMBER LIMITED

# ORDER YOUR COTTAGE NOW FOR EARLY SPRING CONSTRUCTION

WE BUILD 'EM FOR YOU AT PRICES THAT ARE HARD TO BELIEVE



TWO OF OUR POPULAR STYLES  
FREE ESTIMATES OF YOUR OWN PLAN

# RATCLIFF LUMBER, LIMITED

Head Office: UNIONVILLE  
HWY. 7 & KENNEDY RD. CALL - 297-1661

Branch Yards: Gormley  
Don Mills & Gormley Sideroad. Call 888-1991

MATERIALS FOR  
• BOAT HOUSE  
• CHANGE HOUSE  
• DECKING  
• DOCK  
LUMBER

MATERIALS FOR  
• INTERIORS  
• INSULATION  
• FIRE PLACES  
• FLOOR & CEILING TILE  
• PANELLING

WE DELIVER  
150 MILES  
FROM  
TORONTO

RATCLIFF LUMBER LTD.

4340 - No. 7 Highway  
Unionville, Ont.  
L3R 1L9

• Send for free Literature & Prices  
• For added ideas mail for FREE catalogue of cottage plans, prices, and information.

Name

Address

Phone