

Oral Questions

15.25 per cent Canadians were already paying in excess of 30 per cent of their income on housing?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, as the hon. member and all hon. members are aware, the increase by Canada Mortgage and Housing Corporation is in direct response to market conditions at the present time. For example, when the interest rate went down in the summer months and in September, CMHC rates were also reduced; when the rates go up, the CMHC rate increases. If there is a gap between the market rate and the rate which the corporation must meet, it becomes a direct expenditure of the government. I notice in the newspapers today that there are experts who say the interest rate is temporary and that it is expected to drop off in the next couple of months.

Mr. Darling: Madam Speaker, I would point out to the minister that there will be a change in the opposite direction because the Canadian dollar is down today to 83.8 cents. This increase will affect very seriously those persons who are purchasing new homes and those who are in the process of negotiating their present mortgages. Will the minister tell the House if it is the intention of this government to introduce any contingency plans to assist home owners to grapple with this impossible burden? The average family income, according to Statistics Canada, is \$22,000 per year or \$1,833 a month, and 30 per cent of that wage is \$550 a month. Yet, a \$50,000 mortgage at 15.25 per cent costs \$627 a month and even that payment will probably increase. What does the minister have to say on this matter?

Mr. Cosgrove: Madam Speaker, there are a considerable number of Canadians in the third quarter who, for example, are entering the market for the first time as a result of an upturn in building in the residential market. As the hon. member will know, new starts number 185,000 up to the month of October. I am waiting with interest to see what the starts were for last month. It is obvious that there is a segment of the Canadian population which finds that it can enter the market at those particular prices. I have also indicated that we believe the rate is too high and we are hopeful that it has reached its high point and will be reduced by market forces.

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VETERANS AFFAIRS**DEER LODGE HOSPITAL—INQUIRY WHETHER RESPONSIBILITY TRANSFERRED TO GOVERNMENT OF MANITOBA**

Mr. Dan McKenzie (Winnipeg-Assiniboine): Madam Speaker, my question is for the Acting Minister of Veterans Affairs. On Friday the minister sent me a letter with regard to Deer Lodge Hospital. In the letter the minister stated that space for 32 chronic or long-term patients at Deer Lodge Hospital has been granted the Manitoba Health Services Commission for a period of one year. Would the minister indicate whether this is the start of the transfer of the Deer

Lodge Hospital from the Department of Veterans Affairs to the government of Manitoba?

[Translation]

Hon. J. Gilles Lamontagne (Minister of National Defence and Acting Minister of Veterans Affairs): Madam Speaker, in my letter to the hon. member I clearly explained, I think, the procedure that would be followed to ensure that veterans in that area would be provided with the proper care. There may eventually be a transfer, but whatever policy the Department of Veterans Affairs follows, veterans will certainly be given priority consideration and they will receive the care they can rightfully expect.

[English]

Mr. McKenzie: Madam Speaker, we on this side support the action of the federal government to provide additional hospital space to the government of Manitoba. But what action will the minister take now to reduce the long waiting list of veterans who are waiting to get into the Deer Lodge Hospital for chronic and domiciliary care? Many of these patients will be long term. What does the minister intend to do about this list?

[Translation]

Mr. Lamontagne: Madam Speaker, according to my information, there is no long waiting list of patients for that hospital. Nevertheless my officials advise me that they will give the matter priority consideration in order to solve the problem and, as I have said, so that veterans can receive the care they can rightfully expect.

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[English]

ENVIRONMENTAL AFFAIRS**POLLUTION OF WATER SUPPLY ON INDIAN RESERVES—SEWAGE TREATMENT TRAINING PROGRAMS**

Mr. David Orlikow (Winnipeg North): Madam Speaker, I direct my question to the Minister of Indian Affairs and Northern Development. A recent study by Environment Canada of northern Manitoba Indian settlements blames inadequate sewage disposal for contamination of the drinking water. The study also indicated that on many of these reserves the bacterial count in the water supply is at least three times the acceptable level. This has led to a substantial number of cases of hepatitis and dysentery. The minister's department is responsible for training the people who work on sewage disposal systems, and the report says that the training of these people has been inadequate. Would the minister tell the House whether or not he has yet given instructions to his department to see that adequate training programs are provided for these people who are responsible for sewage treatment so that these intolerable health threats will not continue?