

Government Orders

Mr. Edwards: Mr. Speaker, I rise on a point of order. In view of the urgency of this measure, I would ask that it be referred not to the standing committee but to Committee of the Whole.

The Acting Speaker (Mr. DeBlois): Is that agreed?

Some hon. members: Agreed.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, it might reasonably be inferred from the fact that the NDP caucus went along with the unanimous consent to run this bill through the House in its entirety today, correctly in this instance, that it is the intention of the NDP caucus to support the bill at all stages.

That is so principally because, unlike much of the legislation that the government introduces in this House, this bill will do no great harm and may indeed accomplish some small good. The two areas in which we are most interested are clauses 48 and 18.

Clause 48 will essentially prevent land flipping of social housing projects of the sort that we saw for example in Cloverdale in Montreal. A private developer got a bagful of government money on the promise of providing social housing, built a project and then sold it off to people who rammed it into the private sector. The social housing component was gone, the guy kept the bag of money and the new owners are presumably making a great deal more. CMHC was left holding the empty bag. With luck this bill will prevent that sort of thing in the future. To that degree it is commendable.

Clause 18 allows for direct financing of social housing projects by CMHC. It is assumed that this will give CMHC far greater flexibility in its operations and therefore could conceivably allow savings of up to some \$150 million over the next five years. This is a best case scenario but we all wish the corporation well and hope that this comes to pass.

This would be a much more significant number and a much more significant hope if the government had shown any intention of financing any more social housing. As we know from the budget presented in this House this year the government's intention is in fact the reverse. It is scrambling as quickly as it can to extricate

itself from virtually all prior social housing commitments.

It merely remains to note that new social housing projects will be cut from their current levels by about 51 per cent over the next two years as a consequence of this year's budget, for example. The co-op housing program is gone completely, and I will return to that in just a moment.

Of course the government is, to be charitable, stalling on additional financing required by those housing co-ops built under the ILM, the indexed link mortgage program, introduced in the mid-1980s. As a result of that program and consequent housing charges imposed by CMHC in an effort to not offend local private landlords, boosting housing charges in the co-ops to a level which the residents cannot afford to pay, there are tremendous shortfalls going on in ILM housing co-ops across the country.

These shortfalls amount in total to a requirement of possibly some \$20 million. This too is money that is not forthcoming at this time, which is why some of the more recently constructed co-ops are in serious trouble.

I would like to draw one quick lesson from this, if I may. I do not intend to use up a great deal of House time on this but it seems to me to be instructive that in this bill the government basically is cleaning up the system whereby it can continue to give bags of money to private developers who promise to build housing with some social element in it. This is at the same time the government has axed completely the paltry \$6.5 million annual expenditure on the federal co-op housing program and has radically cut back on its commitment to non-profit housing programs.

What this tells me is that the government, in fact, suffers an ideological bias in this regard. It is simply put this way. The government feels better about turning money over to private sector developers to create housing in which tenants will live always under the control of that private sector developer. It feels much better about doing that than it does about funding programs which would otherwise allow tenants to control their own housing.