

Urban Affairs

tion for their needs and we are continuing to improve this kind of housing, physically and socially. Last year we committed \$173 million to this program. The hon. member for New Westminster (Mr. Leggatt) asked about this today in the question period. Mr. Speaker, I have a meeting with the provincial minister in British Columbia to discuss that and other issues on Friday afternoon and to deal with some of the problems out there.

● (1610)

I will have to rush to complete my remarks in time. The neighbourhood improvement program is now under way, coupled with the rehabilitation and repair program of going back into older neighbourhoods, revitalizing, using and re-using the housing stock that is in those areas.

I mentioned earlier the statement I made on rural and native housing programs by which we will help people to build or acquire up to 50,000 housing units in the next five years on terms which even the poorest will be able to afford. I intend to discuss starting Thursday night, with all of the provinces the implementation of that program to ensure that those targets can be realized so that we can get going for this summer's construction season.

Hon. members are familiar with the initiatives we have undertaken. I repeat them here for the benefit of those who are fond of saying that we have done nothing and have no policy. These measures are giving more assistance to more Canadians to acquire more and different kinds of good housing than ever before.

In addition to those policies which are obviously aimed at the question of distribution of housing, how do you give greater access to housing to those with difficulties? I, like other hon. members, welcomed the statement made by the Minister of Veterans Affairs (Mr. MacDonald) this morning as to the extension of the Veterans Land Act which will be introduced into this House very shortly. As the hon. member for Winnipeg North Centre (Mr. Knowles) said, we have to keep this parliament going in order to pass my colleague's very good legislation. Those are programs aimed at the redistribution of housing. They are aimed at the distribution problem.

One of the problems in this and in other countries is that most of the building industry and development industry has consistently been building expensive housing, housing for the top part of the market rather than for the middle and bottom parts. Government policies must not only be aimed at pumping government money directly into housing, as we are doing in unprecedented amounts, over \$1 billion, but also aimed at getting the builders of this country to respond to the needs of the average Canadian in ways they have never done before with modest accommodation at modest cost.

One way is through the assisted home ownership program which is aimed directly at assisting people in income ranges of up to \$12,000 per year by reducing the monthly payment on principle, interest and taxes and reducing interest to an effective rate of 6 per cent.

Mr. Grafftey: Oh, oh!

Mr. Basford: The hon. member's province uses the program widely. The price levels for houses covered by the

[Mr. Basford.]

assisted home ownership program and the income levels to be assisted were set for the first time under this new program some 12 months ago. We have now had experience with the program. It is working in many markets. Hon. members, even in yesterday's debate, complained that it is not working in some market areas across Canada. Having had the experience we have had, we are now able to reassess the program.

I have said that priorities will be given in the Central Mortgage and Housing Corporation programs and budget to those areas where the housing market is the most difficult. This applies to the assisted home ownership program and in those markets such as Toronto, Vancouver and Ottawa where the housing market is the tightest. We must assess the levels of support, the levels of income and the price levels of the assisted home ownership program in order to make sure it will work in the hardest markets such as Toronto, Vancouver and Ottawa and give them priority. We intend to use the assisted home ownership budget of over one quarter billion dollars to assist those in greatest difficulty and as a means of getting builders to respond to the needs of lower and middle levels of the housing market in ways they have not done before.

Second, through the National Housing Act and other lending agencies, we have endeavoured over the years to provide financing to the builders of lower and modest priced housing. The various lending requirements set out under different lending statutes have not been examined for some time. I have asked for a review of loan-levels, loan amounts, downpayment requirements and other regulations to determine the changes that should be made to slow down high cost and luxury construction and, by way of both the carrot and the stick, get lenders aiming more resources at low and moderate priced housing.

In today's question period, the hon. member for York Simcoe (Mr. Stevens) asked whether I would simply raise the lending limit of CMHC above \$30,000. I do not think that is the sole answer, but I can understand it coming from members opposite who want their builders to be able to get bigger loans. The last time that was done, the building spokesman—

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. minister, but the time allotted to him has expired. He can, however, continue with unanimous consent.

Some hon. Members: Agreed.

An hon. Member: No.

Mr. Deputy Speaker: There is not unanimous consent.

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I should say at the outset that if my voice begins to falter during the course of my remarks, it has nothing to do with the intensity of political debate in the House today, but very much to do with the medical fact that I have the flu and a temperature hovering around 100 degrees. I just say that in advance.

The motion before us basically has two important parts to it. One concerns the program announced by the minister two weeks ago tomorrow, the urban demonstration program. The other is the more general question concerning