

*Rochdale College*

a master for the taking of accounts, the taxation of costs, and redemption and possession, which was what we sought from the court.

The defendants in this case, Revenue Properties Central Developments Limited, and Rochdale College, filed a notice of appeal on February 4, 1974. We are still living with a judicial system in which parties to a lawsuit have the right to appeal, and these parties have exercised that right. By reason of the filing of the notice of appeal, CMHC is in exactly the same position it was in prior to the judgment of the Supreme Court of Ontario. The receiver, Clarkson Gordon, therefore remains in possession of the land and premises to use and operate them, to receive rents and profits and to make all necessary expenditures until the trial or other disposition of the said action.

The motion before the House suggests that we should take further action. I think we have tried and I have documented that effort. We prosecuted a foreclosure action as expeditiously as the court rules allow. Following the judgment and the notice of appeal, which could for some years put off a final decision, I wrote the following letter to the receiver, who is acting not for CMHC but as a court appointed receiver on behalf of all creditors, in the following terms; it is addressed to J. L. Biddell and is dated March 1, 1974:

As the minister responsible for Central Mortgage and Housing Corporation I have, since the foreclosure action was commenced, instructed that the proceedings on Rochdale College be proceeded with as quickly as the rules of court allow. This had been done and resulted in a judgment of the Ontario Supreme Court on February 4, 1974, in favour of CMHC. I am now advised by our solicitors that this decision has been appealed to the Ontario Court of Appeal and that in spite of my instructions, and an application to the Chief Justice for an early hearing date on the appeal, that the disposition of this appeal and a possible subsequent appeal to the Supreme Court of Canada could be a matter of years. To me it is intolerable and inexplicable that the present conditions in Rochdale should be permitted to continue throughout this further period of lengthy legal proceedings.

It is clear even from an economic point of view that the present type of operation is wasteful and will continue to be non-viable.

● (1740)

Every effort must be made at this time to change the type and character of the occupants of the said building.

I therefore formally request, and for CMHC concur, that you take forthwith all steps that are necessary to gain vacant possession of all of the residential accommodation at Rochdale College and when this has been accomplished, thought could be given to the making of needful repairs and improvement so as to attract a more conventional type of occupant thereby reducing to a minimum the high cost of maintenance and security.

In taking these necessary steps forthwith I trust that you will have the complete co-operation of the Attorney General of Ontario and the Chief of Police of the city of Toronto.

Mr. Speaker, I mentioned that last paragraph simply because I feel, acting on behalf of Central Mortgage and Housing Corporation, that I am the only one interested in prosecuting any action in respect of Rochdale. While we have the rights of Central Mortgage and Housing Corporation, those are the limits of our rights. Much has been said in this House and elsewhere about criminal conduct, alcoholism, drug activity, and so on. Those are activities clearly under the jurisdiction of the chief of police of the city of Toronto who, of course, would have our complete

[Mr. Basford.]

co-operation. We are simply involved as a mortgage company.

**Mr. Hellyer:** Do you take that attitude toward slum lands?

**Mr. Basford:** Mr. Speaker, as a result of the action I have just documented, on March 8 this year the receiver filed an application by way of notice of motion in the Supreme Court of Ontario for leave to terminate all existing residential tenancies in Rochdale College. The said notice of motion is returnable at Osgoode Hall, Toronto, on March 20, 1974. The day after tomorrow, therefore, I would hope to report—and I must be very careful in terms of parliamentary proceedings, as must other hon. members—that the court will adjudicate on the motion as expeditiously as possible. I have clearly stated my view that the tenancies should be terminated as soon as reasonably possible without prejudice to the parties in the action. I certainly will indicate, through the solicitors, that that is our view and that the general conditions in Rochdale College are intolerable and inexplicable and they should not be permitted to continue until the foreclosure action has been finally determined by the court.

The hon. member speaking for the motion said that we should take, in the terms of the motion, some other action. Within the laws of the land, we are taking the action which is appropriate and which we were advised is the best action. This was the advice by the law officers of the Crown and our retained solicitor. The hon. member, for example, as I understood him, suggested we could take expropriation proceedings in respect of Rochdale College. I am sure he makes that suggestion with the best of motives, wanting to be helpful in this suggestion.

I suggest—I think the lawyer-professor who will speak in a moment will support me in this—there is probably only one legal process that is more complicated than foreclosure, and that is expropriation. If one thinks foreclosure proceedings are complicated, expropriation proceedings are even more complicated. Under expropriation proceedings it takes even longer to get possession of a building and take action. Furthermore, it involves the real risk that in an expropriation proceeding we would have to spend additional moneys either to subsequent encumbrancers of revenue property or even, conceivably, to Rochdale College, the owners of the building.

As I say, I am sure the hon. member put forward his idea in good faith. I give him that credit, but I say that we have examined every possible legal avenue that we should follow. If we were to take expropriation proceedings, we would run the risk of having a court order and paying additional money to the very people we want to foreclose. From the beginning I have instructed everybody involved that although we could move very quickly by the payment of extra money by way of settlement or expropriation, and probably very quickly by the payment of extra money, surely enough of the taxpayers' money is already involved in this matter. The foreclosure action will protect the taxpayer. Surely we should not be taking legal proceedings which run the risk of our having to pay additional money. I have suggested that we should not pay one red cent by way—