

Supply

A rent supplement program will be provided to subsidize rents in regions where an adequate supply of accommodation is available but target households cannot afford it. The current program which was proven to be cost effective when used is being substantially expanded.

We are making a number of significant changes in the federal renovation assistance program, designed to bring substandard housing up to minimum health and safety standards. The present approach of designating areas under that urban program is being eliminated. Assistance will be available, again targeted to households in need, on a universal geographic basis. No longer will there be areas in urban centres of Canada where one neighbour would be eligible but the neighbour across the street, living in a house in the same state of disrepair, would not be eligible.

There are significant alterations in the rental RRAP. The Hon. Member for Spadina referred to a problem with the previous program. To prevent excessive rent increases and the displacement of people who need help, as often happened under the old program, assistance will be increased from an average of \$3,500 to \$12,000 per unit. Assistance levels will depend on the relationship between the rents on the property involved after renovation and local market rents. Assistance will be directed to older, lower cost housing stock occupied largely by low income Canadians. A new renovation plan to assist the disabled will raise maximum funding from \$1,500 to \$5,000. The maximum assistance provided to homeowners with adjusted incomes will be between \$23,000 and \$33,000.

● (1440)

RRAP in the rural areas will remain unchanged. In particular, this mix of programs can be used in various areas of our country. It can be used to assess the needs of Canadians and then address them, the availability of accommodation in the private market and the specific requirements of groups with special housing needs. This will ensure that the strategies followed will be cost effective.

I want to assure you, Mr. Speaker, that these present policies are not carved in stone. They are not inflexible. They will be monitored very carefully over the days and years to come. After a fair trial period, if any of these programs prove to be ineffective, redundant or do not meet the needs—but I say again, after a fair trial period—we will not hesitate to make those necessary changes because the consultation process is ongoing.

I really appreciate the opportunity today to reaffirm the Government's commitment to these programs and to serve households in need in Canada. We feel confident that the core income need thresholds, which are locally derived but nationally consistent, will greatly assist in achieving our objective of assisting those Canadians who cannot, through no fault of their own, obtain affordable, suitable housing in Canada. The Hon. Member for Spadina, mentioned the new Co-op Housing Program which was designed in conjunction with the Co-op Housing Foundation. The Co-op Housing Foundation put

forward a proposal of index-linked mortgages to assist those Canadians who wished tenure because they could not afford home ownership in the market. CMHC and the Government of Canada sat down with the Co-op Housing Foundation. We explored that innovative index-linked mortgage. We had a lot of discussion. It again is not a program which I consider perfect, nor does the Co-op Housing Foundation, but it is a program which should be able to provide some 5,000 co-op housing units to Canadians across Canada at less cost to the Canadian taxpayers than the old program. At the same time, this modest housing will find accommodation for 30 per cent of the units to be rented by Canadians who are in core need.

The evolution in housing has been ongoing. It will not stop now. It will continue to go forward. I am very pleased to be able to say that we have, in conjunction with the groups across Canada, been able to put forward a program which will serve those Canadians who need it most.

In closing, let me say that the ability to establish a criteria based on the guidelines of the National Council on Welfare, or indeed the guidelines of the Canadian Council on Social Development, would not benefit Canadians who need it most. If we used the Canadian Council on Social Development's poverty line with the 1986 core income need threshold for Toronto for a three to four person household at \$27,500, and the Canadian Council for Social Development's poverty line for a four person household at approximately \$23,000, once again we would find that the issue of affordability of adequate and uncrowded accommodation is not found in those guidelines. They are found in the design of core need which was developed over a long period of time and which I am confident will provide assistance to those Canadians who need it most.

Ms. Copps: Mr. Speaker, I would like to comment on the Minister's selective use of the core guidelines because I think he will be aware, if he managed to speak to anyone from CAHRO at the convention he attended earlier this week, that the situation in Toronto is the exception rather than the rule. In fact, for almost every major city across Canada the core guidelines mean that people living below the poverty line are no longer eligible for, in particular, RRAP funding. Given that the Minister wants to negate the facts and figures presented here in the House by the Opposition, does he then disagree with complaints which have been made, for example, in Winnipeg, Manitoba, where the Housing Minister has asked for an emergency meeting on the question of RRAP funding because the definition of "core need", as low as it is, has resulted in severe hardship for the people in Winnipeg? Does he disagree with the position taken by the Cape Breton County Council which stated: "RRAP Change Alarms Cape Breton County Council"?

I wonder if the Minister disagrees with the position taken by the Saskatoon City Council which has also expressed concern about the redefinition of "core need" with respect to RRAP funding? Does the Minister disagree with the position taken by the people of Halifax who have also suggested that the redefinition of "core need" has excluded thousands of families