

of 180,000, much above the low starts experienced in the industry last year.

BUDGETARY FUNDING FOR CANADA MORTGAGE AND HOUSING CORPORATION

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, it is my understanding that, according to the minister's own signed report from CMHC, the housing prospect for new homes is in a disaster situation. Obviously the minister still refuses to acknowledge his own responsibility to provide leadership and some government solution. Over the past five years Liberal governments have decimated the CMHC budget. It has been cut from \$1.6 billion in 1976 to a mere \$350 million last year. As a result of this, CMHC no longer is involved in the production of housing but is merely a mortgage insurer. Will the minister demand a return to 1976 budget levels for CMHC, and will he restore this organization to its former role of providing housing that Canadian families can afford?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I am somewhat surprised by the question of the hon. member as she represents an area of Canada that obviously is in need of assistance in housing suitable to people of lower and middle-income levels. I am surprised that she would not say, for example, that this government, in responding to that very difficult situation, has targeted assistance to areas of the country that obviously need assistance more than others. I know, for example, that the increased social starts in co-op and non-profit housing have been directed specifically to the city that she represents, the greater Vancouver area, and I know that is doing great good in that greater Vancouver area and the province of British Columbia.

REPORTED INCREASES IN RENTS

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, I should like to assure the minister that the people on this side of the House are concerned about housing right across the country.

We understand today that rents in Quebec, as in other parts of Canada, are increasing. But particularly today there comes a sad story for Quebecers whose rents are going to be increased 20 per cent, largely due to high mortgage interest rates. In other parts of Canada rent increases in terms of percentage of income are even higher. What does the minister intend to do, other than MURB programs which do not provide affordable rental housing, in a positive way to develop rental housing through CMHC?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, once again I am surprised that the hon. member in all of her questions today, and in the last question particularly, ignored once again the social component of CMHC housing under Section 56(1), which, during the last two years, has shown an increase from 25,000 to 30,000 starts in housing directed toward people who need that kind of housing.

Oral Questions

● (1425)

Why does she not recognize the good done by this government—25,000 to 30,000 starts out of what she says are starts down at a rate of 100,000? The hon. member should look at the percentage that this government is contributing toward the industry, specifically in her province.

Some hon. Members: Hear, hear!

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[Translation]

THE CONSTITUTION

REQUEST FOR REPORT ON NEGOTIATIONS WITH QUEBEC

Mr. Jacques Guilbault (Saint-Jacques): Madam Speaker, my question is directed to the Prime Minister and concerns the Constitution. Since the media mentioned today that Mr. Ryan, Leader of the Opposition in Quebec, sent a telex to the Prime Minister of Canada which, it seems, contained substantial suggestions on breaking the constitutional deadlock between Quebec and Ottawa, could the Prime Minister tell the House whether he intends to follow up any of Mr. Ryan's suggestions, and could he also report to the House on the progress of negotiations which, I hope, are still continuing between the government of Quebec and the Government of Canada with a view to reaching an agreement that would be agreeable to all provinces, including Quebec?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, since Thursday when the conference was drawing to a close I have said on behalf of the Canadian government that we were prepared to seek accommodation on the three points with which the government of Quebec was in disagreement, and if solutions or compromise formulas could be found, we were prepared to look into these. To this day, and I checked earlier with the Minister of Justice, we have not had word from the government of Quebec. Actually, I think they wanted the conference to be a failure, and now they would not want it to succeed through the action of a compromise formula. Mr. Ryan has proposed such a formula which we will examine carefully I would first like to know what are the PQ government's views on the subject and, if it is a valid formula, we might look into it.

[English]

TELEX FROM LEADER OF THE OPPOSITION IN QUEBEC NATIONAL ASSEMBLY

Right Hon. Joe Clark (Leader of the Opposition): Madam Speaker, I have a supplementary question for the Prime Minister in relation to the telex from Mr. Ryan, which I have not had an opportunity to see but which I understand has at least two elements. First, there are some specific suggestions regarding the three outstanding matters cited by the Prime Minister and Premier of Quebec to be at issue. Also, if I