

*Oral Questions*

**Mr. Lawrence:** Madam Speaker, what is the minister doing now with respect to housing in this country? Will he come up with any new deal? If not, will he say so?

**An hon. Member:** Higher interest rates.

**Mr. Cosgrove:** Madam Speaker, the provision in the budget dealing with the reintroduction of MURBs is a provision associated with the ministry of finance. This takes time, in fact some few months, to come on-stream. Therefore, we do not know, for example, how quickly the 10,000 to 15,000 starts expected to be generated by that provision will impact on the market. It does take some time to observe that movement in the market.

**Mr. Nielsen:** You are monitoring the situation.

**Mr. Cosgrove:** I am meeting with the corporation and with major players in the industry to see whether there is any movement in the industry and whether that provision will have impact. I would think that 15,000 units in a market where total starts for the year are approximately 160,000 is a significant step by this government, and we are waiting to see what effects do take place.

**Mr. Crosbie:** Resign. You have nothing to offer.

MORTGAGE INSURANCE FUND—SALE OF VACATED HOUSING  
UNITS

**Hon. Elmer M. MacKay (Central Nova):** Madam Speaker, my question is also directed to the minister responsible for housing. If I understood him correctly, he referred to 15,000 new starts which he hopes will take place this year through the provision in the budget for MURBs. With respect, I cannot see how this can possibly generate that kind of activity; I hope it does, but can I ask the minister this question? With respect to the large amount of units of various kinds in the mortgage insurance fund portfolio which have to be sold, may I ask what progress the minister is making in this sale? Are the units being sold by open tender so that all possible purchasers, of whatever ilk, have an equal chance to buy them? Could the minister give us a brief report? I realize, as I am sure the minister does, that the mortgage insurance fund badly needs to be made more liquid so that more funds will be available for emergency housing measures.

**Hon. Paul J. Cosgrove (Minister of Public Works):** Madam Speaker, I am pleased to relate to the hon. member, who had responsibility in this portfolio several months ago, that indeed the corporation's objective of disposing of some of the numerous claims on the fund is moving ahead according to plan. That is, the corporation expected, with the assistance of the loan made by the former government to the corporation to tide it over during this period, together with its sales program, that this would result in the corporation putting the fund back into a solvent or static position, bearing in mind the run on it in the last two years. The target of having that position established by the spring of 1982 is on course. The sales program is

working. The number of units sold thus far this year is around 18,000, I believe. We expect to reach the limit of 20,000 units. It is on a restricted proposal basis, but the real estate boards of the major metropolitan areas have all been canvassed and all are participating in the sales program.

● (1425)

**Mr. MacKay:** I thank the minister for that information. I want to ask him about another topic in his portfolio which I know he feels is important. What progress is the minister making with respect to bringing in a shelter allowance? I hope that this scheme, which has already been costed and which, according to our calculations, was slightly in excess of \$100 million for producing shelter for senior citizens over 65 years of age, will be brought in fairly soon in order to alleviate difficulties in which senior citizens are finding themselves with this kind of housing market and the rental conditions they face.

**Mr. Cosgrove:** Madam Speaker, the proposal for a shelter allowance, of course, was one of the recommendations of the Matthews report, a document reported to the hon. member in his responsibility for this portfolio in the last government. It is a matter which has interested me from the first day of assuming responsibility for this portfolio.

The costs vary from the amount given by the hon. member and, indeed, if the proposal is expanded to other areas, could be much higher. I have asked the officials of the corporation to prepare a report showing the costs and the possibility of introducing this proposal, bearing in mind the many claims for other types of assistance, such as non-profit co-operatives and our senior citizens program. That report has been made available to other ministry officials in the social area of the cabinet portfolio. It is my hope, with the report back from the other ministries, that these financial implications can be available for the cabinet at about the time the national housing conference is under way in Ottawa, which will be early in March.

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## THE ECONOMY

### EFFECT OF BUDGETARY AND ECONOMIC POLICIES

**Mr. Ian Deans (Hamilton Mountain):** Madam Speaker, I had hoped to direct my question to the Minister of Finance; instead I will direct it to the Minister of State for Finance. I am sure the minister recognizes that both the budgetary and economic policies of this government are working a great hardship upon the majority of the people. They are destroying any chance of the auto industry recovering and creating a level of personal and business bankruptcies unheard of in Canada in the past. Prices are being driven up at every single level where consumers are involved. They are slowing the industrial expansion and replacement plans of almost every industry and commercial sector in this country.

**Mr. Nielsen:** And you voted for all of it.