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I would like to emphasize that the increased provincial participation represents a real change in our social housing policy. Cooperation in the field of social housing reflects a real improvement in federal-provincial relations compared with the situation in the past, especially under the Liberal Government.

To reduce administrative costs and the duplication of efforts, as well as to increase the total of provincial contributions to social housing, the Government has offered the provinces a larger role.

I would like to state categorically, Mr. Speaker, that our new initiatives do not mean that the federal Government wants to relinquish to the provinces its obligations in the field of social housing. The provinces will implement the programs, but certain clearly stated conditions will apply.

Under the new agreements, the provinces will have to increase their financial contributions. In addition, we are undertaking the joint triennial planning of social housing strategies. We shall thus guarantee that the objectives of the federal Government and the need for accountability are met.

Until now, we have signed umbrella agreements with eight provinces and I expect the other provinces and territories to follow suit in the near future.

We have not found any easy answers to the basic housing problems facing the Governments, but consultation with the provinces and various interest groups has resulted in a consensus on future strategies and action for the federal Government.

Public spending must benefit the most disadvantaged, as we all agree, especially on the side of the Government. We estimate that about one million families in Canada cannot find decent and affordable housing. The needy groups include senior citizens, single parent families, families with children, the working poor, the handicapped and the native people. In view of the extent of housing needs in this country, without forgetting the always present requirement to restrict public spending, we must obviously do more with the same resources for needy families.

The previous housing programs have surely enlarged the housing bank to which almost all classes in our society can aspire, but they had serious disadvantages, especially their high cost so that very few low income Canadians with core needs were in a position to take advantage thereof. Such a procedure is ineffective and inefficient.

Essentially, there are three ways to help low income households find a home. Housing can be built or purchased, some financial assistance can be provided to allow households to pay current rents or repair cheap and deteriorated houses so that they will meet minimum health and security standards.

Those three solutions must be implemented together, as it is clearly shown by the consideration of housing needs throughout the country and on various markets. What can tip the scales in favour of any one or the three solutions is the local market situation, the conditions of real estate bank in some

areas and the needs of certain classes requiring a special kind of housing, for example, older citizens and groups with social problems.

Consequently, to implement the most efficient solution to meet the needs of low income Canadians, much flexibility is required at the regional level. A national housing policy would allow us to use those tools or solutions throughout the country with different arrangements according to the circumstances. He must recognize that housing problems and the ways of addressing them in the Atlantic Provinces or Quebec may not be the same as those used in Ontario or British Columbia. It would be naive and simplistic to pretend otherwise.

This is why income thresholds established for "core needs" recognize the significant differences between Canadian cities where housing markets are concerned.

The costs of housing accommodations of adequate size and quality are not the same in Vancouver, Montreal or Toronto. The differences have to be reflected in the requirements for program eligibility.

This Government felt it had to develop a new package of social housing programs to include a number of major changes to non-profit housing programs, rent supplement programs, RRAP, the Residential Renovation Assistance Program, and rural and native housing programs.

Those changes are all aimed at reaching the same goal; to direct available assistance to the one million Canadians who have housing core needs, thanks to the fixed income thresholds set for the core need group and the provincial contributions now being negotiated. The new social housing programs will manage to help almost twice as many low-income families as before. Of course, social housing programs will be diversely combined in different areas of the country according to the housing needs to be met, to the housing accommodations offered by the private sector, and to the social needs to be covered.

I would like to point out another aspect concerning the implementation of those programs. The new strategy is designed to avoid creating low-income ghettos. Directing social housing assistance to needy families does not mean a return to large concentrations of public housing. The definition of needy families is broad enough to cover a wide income bracket.

One way to avoid low-income ghettos is to use small, scattered housing projects and to use the renovation rent supplement to encourage income integration.

It is important, and we are fully conscious of the fact that people living in social housing should not be isolated. And we are targeting our programs with that requirement in mind. Finally, some provinces, especially Ontario and Quebec, will earmark funds to add to housing projects for people not subjected to means tests.

Mr. Speaker, I would add in concluding that those programs take into consideration the concerns and suggestions made by the Provinces and various groups in the housing sector in the course of our consultations. They are not the result of an