

Supply

Those of us who work in our own constituencies will know how important RRAP loans are for low income families who are struggling, those who we define as the "working poor". They may own their own homes but do not have the independent resources to upgrade them. The cut-back in that area has been devastating. Thanks in part to the initiatives of the Economic Statement of the Minister of Finance (Mr. Wilson) in 1984, we see there has been a reduction from \$189 million in RRAP funding in 1984 to \$127 million in 1985. We are only now starting to feel the results of that cut-back in communities and neighbourhoods across this country which are faced with further deterioration because of the Government's move to allow either the provinces or the private sector to pick up what should be a national housing strategy.

In the area of housing research there has also been a cut of \$4 million. Again, in the area of residential rehabilitation grants, as opposed to loans, there has been a reduction from \$202 million in 1984 to \$159 million in 1985.

Earlier this week, I believe, the Minister, as well as the Liberal housing critic, had the opportunity to participate in a forum in Toronto which convened the interests of all those who are involved in the non-profit housing sector. The Canadian Association of Home Renewal Officers met in Toronto. One of the major complaints leveled against the Government is the new definition of the "core threshold" or "core need".

I am sure when the Minister has a chance to speak, he will stand up in his place and say the Government is targeting its funds to those who need it most. But in fact, in so targeting, he is eliminating the possibility of housing assistance for thousands of families who are living below the poverty line, according to the definition of the National Council of Welfare.

I ask Parliament to consider this motion which simply calls upon Hon. Members to ensure that all Canadians living below the poverty line, as defined by the National Council of Welfare, be eligible for assistance. I think it is fair to assume that the National Council of Welfare, which is in fact a body funded through the Government, would have an objective view of what poverty is. What better way of Parliament making a contribution to the housing question than by agreeing at the very least that all those people living below the poverty line should have access to assistance which may be made available through rental or purchase programs through the federal Government.

We in the Liberal Party believe that the new definition of "core need", as launched by the Government, is inflexible and insensitive and leaves hundreds of thousands of Canadians living below the poverty line but above the income threshold and, therefore, ineligible to apply for federal housing assistance. I think it is inexcusable that the Conservative Government is saying by the redefinition of "core need" that in the City of Hamilton, for example, a family earning \$17,000 a year, certainly not living in the lap of luxury, is ineligible for any assistance under federal housing programs because it is above the definition of "core need".

In fact, if we use the City of Hamilton as an example, the average market rent is \$412 for a two-bedroom apartment. To pay 30 per cent, which is what the Government determines the core need is, a family living in a two-bedroom apartment, and it could be a family of four or five persons, must earn below \$16,500 annually to qualify for federal Government assistance.

The Minister is shaking his head. The Minister is off base. He can look at the figures for Hamilton. They were provided for me by his own Department. A single parent with three children earning \$16,600 annually is above the "core need" as defined by his Ministry and would not qualify for any assistance under the rent supplement or RRAP. If the family were to take a three-bedroom apartment it would be paying 37 per cent of its income for shelter. However, if the same family was earning \$16,400 it would be eligible for assistance. It could be assisted to live in a two-bedroom apartment. However, by earning \$200 more the family is paying \$2,040 more per year than it would if it met the Government's definition of "core need".

• (1230)

I think it is significant that the annual report of the Canada Mortgage and Housing Corporation under the Conservative administration is appropriately a blank gray color which is fading away into nothingness. It reveals that the mortgage insurance fund had a deficit of just over \$500 million at the beginning of 1984 and that by 1985 the deficit had reached close to \$800 million. CMHC staff has been cut from 3,659 to 3,341 and more cuts are in the works as program delivery continues to be turned over to the provinces. Sixteen of the CMHC field offices have been closed and 10 others have been reduced in size. This means longer and longer waits and trips for Canadians from smaller communities who want to seek information about the latest in housing standards and the latest in availability with regard to government programming.

[Translation]

Talking about this year, we know that the federal Government has yet to complete negotiations with all provinces. The negotiations are not progressing rapidly and, in many provinces, nothing at all is happening in the field of assistance for social housing.

[English]

After a lot of talk about open Government, the federal Government has washed its hands of the responsibility for social housing. I am pleased to say that it took greater initiative in the area of co-operatives. When the Minister announced his new directions for housing in the 80s he did in fact listen to the pleas of co-operatives from across the country which begged the Government to keep the co-operative movement under the federal umbrella. The Minister listened to them, although he did not listen to some of the other groups, including CAHRO. He listened to the pleas of the co-operative movement that divesting responsibility from the federal to the provincial Governments will result in disaster in some communities in Canada.