

years, and that Air Canada has invested more in Montreal than it has in Toronto, and there are other examples. However, I seem to be unable to convince my friend, the Member for La Prairie and perhaps others as well. Furthermore, I have suggested several times that the President of Air Canada be invited to appear before the Transport Committee and provide a detailed explanation, so that we would all have a better basis on which to judge this question.

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[English]

HOUSING

CUT IN FUNDING FOR SOCIAL HOUSING IN ONTARIO

Mr. S. J. Korchinski (Mackenzie): Madam Speaker, I have a question for the Minister responsible for housing. Parliament is in the process of finalizing the adoption of a Bill which will allow the Government to borrow another \$19 billion. Under present economic conditions which have created an increase in the number of people who require social housing, why has CMHC slashed funding by 2,500 units? For example, in Ontario 23 per cent of the budget was slashed. What criteria did the Government use for this, and does the Government have to go deeper in the red in order to meet our social requirements?

Hon. Roméo LeBlanc (Minister of Public Works): Madam Speaker, I have explained in the House before that the budget was set at 25,000 units some years ago. We were in the position of borrowing from future years. In fact some years we reached the 30,000 level. The Department of Finance, with which we had agreed that these units would eventually be paid back, is now looking at a request I have put forward to delay repayment. I hope that I will soon be able to announce some improvement.

The reality is that we have not cut back; we have adjusted, as we indicated all along. We may decide, in consultation with the Minister of Finance, to delay the repayment of these units.

The Provinces that have been complaining about this issue get off rather lightly from their responsibility for social housing. Some have complained rather bitterly that we have adjusted our expenditures. I have seen very little evidence that many of them have improved on their offers.

POSITION OF MINISTER

Mr. S. J. Korchinski (Mackenzie): Madam Speaker, is the Minister suggesting to the Provinces that they should remove the ceiling on rental housing so that the contractors can go to work and start constructing houses? This would have the effect of doubling the rental rates for these units. Is that what he is suggesting?

Hon. Roméo LeBlanc (Minister of Public Works): Madam Speaker, I suggest that the Provinces should also play a

leading role in this area of social housing. We have been doing our share, and even more.

SHORTAGE OF SOCIAL HOUSING IN MONTREAL

Mr. Derek Blackburn (Brant): Madam Speaker, my question is also directed to the Minister of Public Works and deals with social housing. In the City of Montreal 16,000 persons are waiting to get into low-cost units. Last year the City of Montreal was only able to build 400 units, and this year the number has been increased to approximately 450 units. It is anticipated that within the next two or three years 200,000 people in the greater Montreal area will need decent housing. How can the Minister justify cutbacks in social housing at this critical time?

Hon. Roméo LeBlanc (Minister of Public Works): Madam Speaker, the difficulty with the Hon. Member's rhetoric is that he insists on using a word which I have explained very carefully, that in the last three years we have gone over the budget which was allocated and, in fact, we may decide to put off for another year or two the restoration of the level we had been assigned.

● (1440)

The reality is that the present social housing program we are reviewing is to some extent akin to a lottery. Those who are lucky enough to be in have done very well, but there are many who are waiting. This is why I am reviewing it. I would like to know what will be the Hon. Member's position when in fact we review the program and perhaps try to distribute more fairly the rather large amounts we have assigned to it at present.

Mr. Blackburn: The Minister seems to forget the fact that investment in housing is an investment. For every one job in the housing industry, three other jobs are created. This is not just a humanitarian approach; it makes good business sense.

NON-PROFIT CO-OPERATIVE HOUSING

Mr. Derek Blackburn (Brant): Madam Speaker, with a demand in any given year for 10,000 non-profit co-op units in the country, why does the Minister steadfastly refuse, as did his predecessor, to promote low-cost, co-op public housing when it fulfils a very, very important need from coast to coast?

Hon. Roméo LeBlanc (Minister of Public Works): Madam Speaker, the Hon. Member will really have to make up his mind. If he wants to create jobs, he cannot look only or mainly to the social housing budget. In reality it is a very expensive program for every unit which is constructed. In that sense he will have to decide whether he wants to create jobs and invest in that part of the economy, or whether he wants to multiply the number of co-operative units.

I might say that we have led the way in social housing, and I hope that other partners, including the municipalities, will join us.