

Madam Speaker: For presentation, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Madam Speaker: Does the House adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

● (1415)

ORAL QUESTION PERIOD

[English]

HOUSING

REQUEST FOR MEASURES TO OFFSET HIGH INTEREST RATES

Hon. Allan Lawrence (Durham-Northumberland): Madam Speaker, in the absence of the Prime Minister, in the absence of the Minister of Finance, in the absence of the Minister of Industry, Trade and Commerce, and in the absence of most ministers today, my question is directed to the Minister of Public Works in charge of CMHC who presumably has the duty and responsibility within government of formulating housing policies and programs which affect the purchase of land and the purchase of homes.

In view of the anger that is sweeping this country today and has been sweeping the country since last Thursday regarding the act of helplessness that the Minister of Finance has been putting on in this House respecting the lack of government policy to control the high interest rates, and because high interest rates vitally affect the housing industry, which in turn has a ripple effect through the whole economy, if the government cannot do anything about high interest rates—which we on this side reject entirely—is the minister in charge of housing in this country doing anything to formulate some new policies which would at least ameliorate the high cost of interest, the high cost of building, and the high cost of mortgaging for the people of this country in respect, perhaps, of a new tax deal for those who have to pay high interest rates?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, some of the ministers mentioned by the hon. member are attending, of course, the funeral of a former member of this House who was also a former premier of the province of Quebec. I want to make that point if it does not come immediately to the minds of hon. members opposite generally.

With regard to the response of Canada Mortgage and Housing and the housing ministry to the question of interest rates, of course, that has been a problem and was a problem for this government immediately upon taking office. Some of the actions of the government, of my ministry and the corporation in response to high interest rates are, for example, the increase of 5,000 starts in social housing, improving the eligi-

Oral Questions

bility for people seeking to stay in their homes by making rehabilitation improvements in housing, and the redirection of the portfolio. For example, on Friday of this week I announced that looking at the take-up at the year end of social housing units, 1,000 more units were designated for the city of Vancouver. These modest steps, in response to a problem that we appreciate is difficult, have been taken while we look at the impact of the rates to see whether they will come down as they did in May and June.

Mr. Lawrence: Madam Speaker, in view of the fact that the Minister of Finance and the Minister of Industry, Trade and Commerce also find it necessary to attend funerals when the Prime Minister does—

Some hon. Members: Oh, oh!

Mr. Lawrence:—my supplementary to the minister in charge of housing is this. We know what the situation is and what the minister has been doing. My question was more directed to what he is going to do. With these high interest rates, is the minister going to come up with any measure at all now or in the future, and has he given any consideration to a measure, which will help relieve the high cost of interest for those people, especially young people, who desire and need to buy new housing in this country?

Mr. Cosgrove: Madam Speaker, first of all, I have taken the opportunity in the last few weeks to visit the minister for housing for the province of Ontario and discuss this problem with him, because indeed the major pressure so far as housing is concerned at this time is rather not the opportunity for people to enter the purchase market, but is in effect the tight rental situation in some of the metropolitan areas. That is our first priority.

● (1420)

I have had an opportunity of meeting with the minister from the province of Ontario and I have had a discussion with the minister from the province of British Columbia. These are the two provinces in which the rental situation is the most acute. I have attempted to encourage the ministers, in response to the step taken by the Minister of Finance of reintroducing the MURB provision, to consider whether the response of the provincial ministers, in their areas of responsibility for housing, could complement that initiative of the federal government so as to ensure a meaningful response by governments to those people facing tight rental situations.

Mr. Lawrence: Madam Speaker, I am having a hard time getting through to the minister. Interest rates have gone up 4 per cent since the budget. CMHC is on the verge of bankruptcy, solely and simply because people are turning in their keys and walking out of their mortgaged premises. The construction industry is facing the worst time it has faced since the great depression of the 1930s, if not before, yet the minister has had but two discussions, one with a provincial minister in Ontario and one with a provincial minister in British Columbia.

Mr. Nielsen: What is he going to do?