

*Housing*

I would like to emphasize, Mr. Speaker and hon. members, the urgency in dealing with the amendments regarding the Canada mortgage renewal plan. I know hon. members on all sides have been receiving letters and telephone calls from people having difficulty renewing their mortgages and in danger of losing their homes. They are asked how they can get help under the Canada mortgage renewal plan first announced by the Minister of Finance (Mr. MacEachen) on November 12.

The House will recall that the plan provides interest deferral guarantees for those who have some equity in their homes and are obliged to renew their mortgages at a higher interest rate. Those who have the same problem but have substantially no equity to use as collateral in deferring interest payments the government will assist by providing grants of up to \$3,000.

It is very interesting to note that the government of Manitoba announced last week a similar plan which adopts most of the requirements introduced here on November 12. For example, it follows the common sense approach of this government in asking that we use the 30 per cent rule of income. That is, those who are asked to pay a disproportionate amount of their income are to be assisted. It is a short-term plan designed to meet the immediate problem, which we hope will not be repeated.

It is interesting as well, Mr. Speaker, to note that the newly elected leader of the provincial New Democratic Party has said that he will lead that party toward a more middle of the road, common sense approach in his policies. I would like to say, Mr. Speaker, that he did not really have to go into provincial politics to do that; he had only to step across the floor—

**Some hon. Members:** Oh, oh!

**Mr. Cosgrove:** —and support the Liberal Party in its common sense approach to housing problems, approaches such as the Canada mortgage renewal plan. People who call about that plan, Mr. Speaker, are directed to see their mortgage lenders, who have application forms and can help fill them out and return them to CMHC. Many people have already done that. Applications have been received and can be acted upon once the legislation has been given approval by this House. I sincerely hope that approval will not be unnecessarily delayed by prolonged debate. The plan was very thoroughly discussed by many hon. members on both sides of the House during the budget debate and has been the subject of a good deal of public comment in the news media.

● (1540)

I think my views on the plan are well known. I believe, given all of the circumstances, that it is the only sensible and sensitive action the government could have taken to assist those people who are in serious danger of losing their homes because of high interest rates. I observed that when one is sensible and sensitive, one is usually acting with a sense of common sense. That is what we believe the plan responds to.

**Mr. McDermid:** Doesn't give two cents.

**Mr. Cosgrove:** I suggest to hon. members opposite that many Canadian householders who have now had a chance to study the plan believe it would be helpful in solving their problems. Meetings have been held with representatives of the mortgage financing institutions, and they are prepared to do their part as well in putting the plan into effect. In view of the pressing necessity, I urge all hon. members to act as expeditiously as possible on this bill and on this plan.

At the same time the mortgage renewal plan was announced, the government declared its intention to take some action on behalf of people who rent their homes. The Minister of Finance included approximately \$350 million for housing for the next two years, part of which is in his budget to finance the Canada rental supply plan, a rental construction stimulus program which would make available interest-free loans of up to \$7,500 per year to stimulate the construction of 15,000 units of affordable rental accommodation in parts of the country where it is scarce. These loans, of course, would be in addition to the assistance provided under the regular non-profit and co-operative housing programs.

[*Translation*]

I then stated I would meet with the provincial ministers responsible for housing in order to discuss the details of implementing the new program. This has been done and I am generally satisfied with the way this initiative has been accepted.

In the course of these discussions, I emphasized that housing is a responsibility that should be shared by all levels of government in Canada. Each province, in co-operation with the Canadian government, must make housing more accessible and, above all, ensure that local requirements and priorities are taken into consideration.

It is my pleasure, to mention that a number of provinces acted on the federal initiative and are now developing programs that can complement the Canada Rental Supply Plan.

[*English*]

The federal government's initiative, combined with ongoing social housing programs, has been welcomed as a contribution to a very serious problem. I have given the assurance that the available resources may be reallocated during the year if it is found that one region is not taking up all of the assistance which was designated for its use and that there is an urgent need in other areas.

The fact is that, without government support, the construction of rental accommodation in this country is simply not a viable business. In many cases, the rents that can be charged do not allow for a marginal profit. Sooner or later the market will have to be allowed to adjust and to find its normal balance. Our policy with regard to rental accommodation has been to help achieve a smooth transition to a more normal state of affairs and to see that no one suffers in the interim. We are doing that by helping to stimulate increased production of good, affordable rental units and, at the same time, providing assistance to low-income people, including native