

*Proceedings on Adjournment Motion*

their own choice in the private market. Housing would have to meet a required standard and there would be limits on household income and rent. Mr. Hignett said that the advantages of the scheme are that it gives people a greater choice as to where they live and how they live than public housing, allowing for increased diversity and mixing of neighbourhood populations. He said:

It allows greater flexibility in helping those whose problem is not necessarily inadequate or poor quality housing, but rather the proportion of their income spent on rent which prevents them from properly providing for other necessities.

Finally it does not identify those in receipt of subsidy in the way that occupancy of public housing does at present.

He and his officials pointed out that this system has worked with some success in countries like England, the United States and Sweden. At the same time, Mr. Speaker, the president indicated that CMHC predicted a rent reduction in public housing, that the six-year old scale with regard to rent geared to income was being reviewed and that in the near future changes would be made, with a corresponding increase in subsidies paid by the federal and provincial governments to meet operating losses in public housing projects.

Mr. Speaker, I recall that when the estimates came before the Standing Committee on Health, Welfare and Social Affairs, the former minister in charge of housing indicated that we would have some form of housing allowances in the near future. That was a year ago, and to date we have not had any. I welcome the statement by the president with regard to how CMHC feels in this important area.

Michael Wheeler, the former executive director of the Canadian Welfare Council, set forth in an article in "Canadian Welfare" for September-October, 1968, the pros and cons of a national housing allowance. On page 3 of this article he said:

The allowances could be used to advantage in conjunction with non-profit and co-operative sponsored housing and also with existing public housing; rents for these dwellings would be set at a level sufficient to cover debt charges and management costs without subsidy and the tenants would then be entitled to a housing allowance designed to ensure that their gross incomes were sufficient to pay an approved rent after deducting the cost of a defined level of consumption varying with size of family.

In other words, Mr. Speaker, we would take into account the available income of a person and then try to determine the average basic

[Mr. Gilbert.]

expenditure with regard to the necessities of a household and the number of people in it, not taking into account items like housing, and from that a housing loss would be determined.

In the Nevitt scheme which is available in England, for example, if the monthly joint income of the husband and wife is \$360 and the monthly basic expenditure for a family with two children is \$285, the amount available for housing is \$75. If the actual gross then were \$100, the housing allowance would be \$25.

Mr. Speaker, this is one of the many ways in which we could increase our supply of housing and lessen the burden with regard to heavy rents. I hope the minister will not refer to the housing loss as applying exclusively to private accommodation, but will apply it also to public accommodation. I look forward to his answer and I thank him for attending here this evening.

**Hon. Robert K. Andras (Minister without Portfolio):** Mr. Speaker, I return the compliment and thank the hon. member for his remarks which are, as usual, quite valuable. The president of Central Mortgage and Housing Corporation was speaking before the committee in the other place and had reference to many options which we are examining in the search for better forms of housing for low income citizens. I have examined the transcript of his comments, and to set the record straight I think it should be recognized that it was a statement of options to be considered rather than a statement of commitment to any one at this stage.

It is an interesting concept, and the more sophisticated approach of giving people a free choice through income to seek their own type of accommodation intrigues me. However, I should be less than responsible if I said that that sort of thing will be brought in in the foreseeable future. I doubt very much whether it will be.

Touching on some of the other points raised by the hon. member, we are looking at revisions to the rent-to-income scale. We shall be talking to provincial governments very shortly about changes pertaining to the rent-to-income scale, and these will do many of the things the hon. member mentioned in his comments. We have offered the provinces a formula relating to housing allowances. As a matter of fact, we are negotiating with the Minister of Trade and Development of Ontario to see if he wishes to go ahead with the acquisition of existing housing units