

Oral Questions

he is taking to ensure that this Canadian energy project will benefit Canadian shipyards and will not result in further exportation of marine construction work to countries like Norway?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, this is a subject which I have had the opportunity of discussing with the president of Petro-Canada on several occasions over the last few months. I indicated to him the very significant importance that the Government of Canada attaches to such equipment being built in Canada, in so far as it can be built in this country. The president of Petro-Canada indicated at the time that he would make sure this would, indeed, be a very high priority with the corporation. I think the announcement that he made in Halifax indicates clearly that Petro-Canada has that very much in mind. Again, it is another clear indication of the major role that Petro-Canada can play in the energy field, and in the oil and gas field in particular. I am glad the hon. member is supporting the role of Petro-Canada, contrary to the past attitude of his party in this respect.

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NATIONAL DEFENCE

PROGRESS OF FRIGATE PROGRAM

Mr. Howard Crosby (Halifax West): Madam Speaker, time will tell whether the minister's assurances are worth while and if the work will be carried out in Canada.

My supplementary question deals with marine construction also and it is for the Minister of National Defence. People in eastern Canada are equally concerned about the progress of the Canadian frigate program. There are rumours that the program may be scrapped. Would the minister give us assurances that the Canadian frigate program is proceeding on schedule and that the course of action which he indicated earlier in this House with respect to a development program, followed by a construction date, will still be adhered to? Can he assure us that the work involved in the frigate program will go to Canadian shipyards?

Hon. J. Gilles Lamontagne (Minister of National Defence): Madam Speaker, I am sorry. I was distracted and would ask the hon. member to repeat his question.

Some hon. Members: Oh!

An hon. Member: He doesn't even listen to his questions.

Mr. Crosby: Madam Speaker, I appreciate that the minister was deep in thought; I hope he was thinking about the Canadian frigate program. My question was: Will he assure the House that the Canadian frigate program is on schedule, and that the work involved will be done in Canadian shipyards by Canadians?

Mr. Lamontagne: Madam Speaker, I can assure the hon. member that the frigate program is well under way. There has

been no undue delay. Decisions will be taken in the same way as they were taken with respect to the NFA and other matters related to defence.

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HOUSING

ACTION TO STABILIZE MORTGAGE INTEREST RATES

Mrs. Margaret Mitchell (Vancouver East): Madam Speaker, I hope the members opposite are awake for this question since Canadians are fed up with the high cost of housing.

In the absence of the Minister of Finance my question is for the minister responsible for CMHC. The Economic Council of Canada estimates that housing prices have increased 130 per cent over the last decade, while the over-all cost of living rose by approximately 86 per cent. It is forecast that housing prices will rise between 14 per cent and 19 per cent in this coming year, which is well above the over-all cost of living and is far too high. In British Columbia's lower mainland the cost of houses is going up \$10,000 every month.

In the absence of the Minister of Finance, will the minister pressure and convince the cabinet and the Minister of Finance that a general lowering and stabilization of interest rates must be established in order to put downward pressure on mortgage costs, which will allow our construction industry to get back to work and produce affordable housing with lower interest rates for Canadians?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, I would be happy to pass the representations made by the hon. member to the Minister of Finance. I would like to indicate that, in response to submissions made by hon. members opposite, including herself, the government has already acted in specific measure earlier this year to increase social housing starts by an additional 5,000 and to increase the subsidy in the rehabilitation program. In addition, there was the provision in the budget addressing the question of multiple unit construction with the \$15 million MURBs subsidy program.

Mrs. Mitchell: My supplementary question is for the same minister. Since to date only 55 AHOP home owners have taken advantage of the government's graduated mortgage payment plan—this limited assistance is obviously not meeting the needs of Canadians—can the minister tell us how many homes are now owned by CMHC because of defaulted mortgages and the reclaiming of AHOP houses? Will he press the cabinet, which we know really does not care about housing, to take steps to correct this situation by ensuring that lending institutions set aside a certain proportion of their lending portfolios so Canadians can get mortgages at rates they can afford?

Mr. Cosgrove: Madam Speaker, I will take this opportunity to remind the hon. member that in May, at the recommendation of the Minister of Finance earlier this year, I met with the