

Senator Bonnell: Under CMHC, what amounts of money are available for the different programs? In other words, we have hundreds of millions, say, for land assembly. How much have you got for the different programs? Is this amount of money divided up according to provinces? Is so much allocated to British Columbia, so much to Ontario and so much to the other provinces? If the total amount has not been used by Ontario, could British Columbia come in and pick up the remaining amount of the total allocated to the province?

Mr. Hignett: Yes. The capital budget of CMHC, the money that the government gives it to invest, has for the past two years been at the rate of \$1 billion a year. The minister has said to the provincial ministers that the government of Canada will undertake that the budget will not fall below \$1 billion a year in any of the next five years. So we can look forward to a budgeting level of not less than \$1 billion over the next five years. This is broken down by program and by provinces.

Senator Bonnell: I am interested in Prince Edward Island.

Mr. Hignett: At the moment, pending enactment of the next legislation, the corporation's budget for 1973 is \$974 million. On the day that this legislation is enacted it will become \$1.08 billion. If I could go through quickly, starting in the East, this has been allocated as follows: \$34.5 million to Newfoundland, \$7.5 million to P.E.I., \$50.5 million to Nova Scotia, \$31.5 million to New Brunswick, \$204 million to Quebec, \$342 million to Ontario, \$62.5 million to Manitoba, \$41 million to Saskatchewan, \$84.5 million to Alberta, \$116 million to B.C.

That is based on discussions that we have annually with the provinces, because the public housing program, the federal-provincial housing, non-profit housing, student housing, land assembly, sewage treatment, are generally projects that are sponsored by municipalities and provinces, and we are responding to demand. That is, the initiation is in other hands. These are the results of discussions with the provinces about the extent to which they will take advantage of NHA programs.

To go further with your question, it is quite true that if we find, for example, that the province of B.C., for some reason or other, by September of each year, when we review our budget and the way the budget is being invested, that B.C. is not likely to use its allocation, we are free then to transfer that allocation to any other province where their capacity is greater than was thought earlier in the year. This is done virtually every year.

Senator Inman: Or among any provinces?

Mr. Hignett: Or among any provinces, yes.

Senator Bourget: You do not have to go to Treasury Board?

Mr. Hignett: No, we do not have to go to Treasury Board. We only have to go back to Treasury Board when we need more money.

Senator Bourget: Yes.

The Deputy Chairman: I think, honourable senators, that it would be useful to have that table added as an appendix to the proceedings. Is that agreed?

Hon. Senators: Agreed.

The Deputy Chairman: You can make that available to us, can you, Mr. Hignett?

Mr. Hignett: Yes, Mr. Chairman.

Senator Bourget: Along with the information that Mr. Hignett has already given.

The Deputy Chairman: Yes, but there is more information in this table because it is broken down into sub-headings.

Mr. Hignett: Yes, it is broken down into sub-headings by program.

(For tables, see appendices A, B and C)

Senator Bonnell: Mr. Hignett, could you give us a breakdown of the \$7.5 million with respect to the province of Prince Edward Island? The others will probably compare.

Mr. Hignett: Yes. Prince Edward Island proposes to spend the following amounts: \$1 million on public housing; \$1.5 million on federal-provincial housing, which is another form of public housing; \$500,000 on a non-profit housing; \$2 million on loans for home ownership for new housing; \$500,000 for loans for home ownership on existing housing; \$1.5 million for sewage treatment, and \$500,000 for the assembly of land. That should come to \$7.5 million, senator, if I have given you the right figures.

Senator Bonnell: New communities are also covered in this bill. What percentage of the cost of a new community is available from CMHC? Is it 100 per cent?

Mr. Hignett: There are two ways of doing it, senator. The federal-provincial way is where the new community is acquired by federal-provincial partnership, in which case it is owned 75 per cent, 25 per cent by the federal and provincial governments, respectively. Title is held that way, the investment is made that way, and the participation in operating losses or surpluses would be the same. If the province wishes to go it alone, it may borrow 90 per cent of the cost from CMHC for the same purposes.

Senator Bonnell: And they take the profits and the losses?

Mr. Hignett: Yes.

Senator Bonnell: And that includes sewage, streets, lighting, water, hydro, and so forth?

Mr. Hignett: It includes the acquisition of the land and the complete servicing of the land within the boundaries. It does not include the services leading to the land.

Senator Bonnell: But where you are tearing down the old and building anew, you can get some assistance for services outside of the boundaries of the land? I believe you said you could get assistance to the extent of 25 per cent, or so. Is that what you said?

Mr. Hignett: As far as the neighbourhood improvement program is concerned, to the extent that municipal services have to be replaced because they are old and worn out, the legislation allows a federal contribution of 25 per cent of the cost of doing that and also enables the corporation to make a loan to the municipality of, I believe, two-thirds of the balance. In any event, we can also make