

● (10:00 p.m.)

By way of background I would like to read into the record—the specific figures of the Rochdale College mortgage. The approved loan was in the amount of \$4,884,165.90, a princely sum of money to risk on an experimental educational project to be run by its own students. The interest rate on the loan was very attractive at 5½ per cent per annum. As of April 30 this year the loan was in default by 14 months for a total of \$359,853.37. During all my years in business I have neither seen nor heard of anything quite like it. I therefore feel justified in asking for a full explanation of this apparent disregard for the sanctity of the public purse.

Some hon. Members: Hear, hear!

Mr. Scott: One of my reasons for indulging in the past the minister's reluctance to answer my questions is that Rochdale is called a college and as such has been wearing a mantle of respectability that is totally undeserved. I have been, and am now, prepared to bend a little to accommodate educational institutions, but it has been evident for some time that Rochdale has been sailing under false colours. Almost from the day it opened, Rochdale College has been the symbol of everything that is wrong in our society. In the files of the Toronto police department there is evidence that Rochdale rivals Yorkville village as a haven for drug users and pushers, hippies and yippies, deviates and social misfits of every type and description.

There are recorded cases of underage, runaway children being lured into Rochdale and kept there for the depraved satisfaction of so-called students some of whom are as much as 35 years of age. By way of further clarification, to qualify as a student at this so-called college simply means that you can afford to pay the \$80 per month single, or \$50 double occupancy rate. There are no course requirements, no attendance requirements, no professors and no system of examination or grading.

I would like to make just a couple of brief, additional observations before I conclude. The first concerns an item in the *Toronto Globe and Mail* of May 21, 1971, wherein it was stated that Rochdale College accepts welfare cases from the city welfare department, some of them families with small children. I ask my hon. colleagues in this House, does this sound like a college? In days gone by it would have been called a flop-house and Central Mortgage and Housing Corporation, or any other government agency would have laughed at the thought of supporting such an institution with public funds. A few days ago the Toronto police department raided Rochdale College—not for the first time—and confiscated a quantity of marijuana, hashish and chemical drugs while arresting three students. As the police left the college they were pelted with eggs and refuse and subjected to verbal abuse.

In conclusion, I would like to assure the minister responsible for Central Mortgage and Housing Corporation that I am not asking him to assume the role of protector of public or private morality. However, I do expect the minister to exercise proper judgment in deciding who qualifies for Central Mortgage and Housing Cor-

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poration mortgages. Rochdale College is a rabbit warren where anything goes, and the more anti-social and uncivilized the better. I call upon the minister responsible for the Rochdale mortgage to recover the money involved and to put it back into the public coffers where some better use for it can be found.

Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour): Mr. Speaker, in August, 1966, a loan of \$4,844,165 was made to Co-operative College Residences Incorporated to assist in the construction of a students' residence, now known as Rochdale College, on Bloor Street in Toronto. The administration of Rochdale College has experienced great difficulty in generating sufficient revenues to pay all the operating costs of the building, including the National Housing Act mortgage. Up to the present time arrears in mortgage payments have accumulated to the extent of \$340,000.

If the problem of Rochdale College were simply a mortgage problem, the solution itself would be a straightforward matter, involving action by Central Mortgage and Housing Corporation to recover the public investment in Rochdale and to assume responsibility for the management of the building. The problem of Rochdale College involves considerations other than a mortgage in arrears.

While many of the negative aspects of its administration have received the greatest attention, some of the more positive aspects of their program have not been established or understood, including the role that Rochdale plays in the lives of many young people in metropolitan Toronto. There are, therefore, both social and financial implications to consider in dealing with Rochdale College.

Nearly two months ago an interdepartmental committee was formed at the request of the minister responsible for Central Mortgage and Housing Corporation to consider and assess alternative courses of action by which the public investment in Rochdale may be protected. The committee is under the chairmanship of the president of Central Mortgage and Housing Corporation and includes representatives of the Privy Council office, the Department of National Health and Welfare, Secretary of State, Solicitor General and the Department of Finance.

In carrying out its work, the committee is considering all aspects of the Rochdale situation and in addition to the interested departments of the federal government the committee has met the council of Rochdale, representatives of the metropolitan Toronto corporation, the city of Toronto and departments and agencies of the Ontario provincial government. It is expected that the committee will report its findings through the responsible minister shortly.

YOUTH—CAPITAL ASSISTANCE FOR PROVISION OF YOUTH HOSTEL FACILITIES

Mr. John Burton (Regina East): Mr. Speaker, yesterday I asked the Minister without Portfolio in charge of citi-