

the hon. member, those Territories are still part of Canada and still come under the jurisdiction of the federal government. In that sense the hon. member may be out in the cold with his party on this subject, but we do not think the native people or the northern people are.

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HOUSING

DROP IN HOUSING STARTS

Hon. James A. McGrath (St. John's East): Madam Speaker, I should like to direct my question to the minister responsible for housing. On October 30 last I referred to the Statistics Canada projections of seasonally adjusted housing starts of 135,000. The minister at that time said I could draw some consolation from the real seasonally adjusted rate of 180,000. We now know that the seasonally adjusted rate, according to the latest figures from his own Canada Mortgage and Housing Corporation, is down to a disastrously low 104,500. What does the minister have in place, or what advice does he have for the government to change this disastrous course?

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, in answer to a similar question I indicated that the strength in housing starts earlier this year was, for example, in March somewhere in the neighbourhood of 246,000 on an annually adjusted rate. The strength of the earlier housing starts will mean that the annual performance this year will be around 170,000. The one month's decline has to be balanced against the very high strength earlier in the year.

I hasten to indicate that, although starts were down in the month of October, early figures indicate that applications for mortgage funding, draws on mortgage funding, were up during the month of October. I expect that the months of November and December will contribute to an increase in strength in the market and in the industry for the balance of the year.

REQUEST FOR ADVICE FROM MINISTER

Hon. James A. McGrath (St. John's East): Madam Speaker, according to the minister's own figures, in terms of actual starts last year we had a disastrously low 158,600. We need 220,000 to meet minimum requirements. Indeed, according to CMHC's own projections, we will need 261,000 on a seasonally adjusted rate. We now have 104,000. We are told by the industry in terms of the rental situation that, apart from whatever government assistance there is next year, there will be no new rental units built next year, which means that the zero vacancy rate is now upon us. This spells a disaster, Madam Speaker, in the total housing industry. Everyone recognizes that but the minister responsible for housing.

● (1450)

What advice does the minister have for the people of Canada who, for the first time since the end of the Second

Oral Questions

World War, are facing a housing crisis of unprecedented proportions?

Some hon. Members: Hear, hear!

Hon. Paul J. Cosgrove (Minister of Public Works): Madam Speaker, the strength and the seriousness with which the hon. member for St. John's East (Mr. McGrath) puts forth his question is somewhat hollow when you take into account that one of the things this government had to do last year, when it came into office, was to undo some of the harm done by the government of which he was a member.

Some hon. Members: Oh, oh!

Mr. Cosgrove: For example, we had to reintroduce the MURB provision, to increase by 20,000 starts the provision of supply of housing in the country, and to increase the social components of housing starts. A study ordered up by the previous government of which the hon. member was a member, recommended that the government withdraw from housing, withdraw from social housing, and withdraw from MURBs. We have had a little catchup since the last government.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

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PIPELINES

EXTENSION OF NATURAL GAS PIPELINE TO EAST COAST

Mr. Howard Crosby (Halifax West): Madam Speaker, I have a question for the Minister of Energy, Mines and Resources concerning the natural gas pipeline extension to the east of Canada. The minister knows that the gas pipeline extension was promised by the Prime Minister, that it was included in the National Energy Program and promised in this House by the minister. On August 11 the National Energy Board approved the pipeline extension. The government has been waiting for three months to answer this question that is so vital to the east coast.

Will the minister tell the House what the reason is for the delay, and when the government will approve this important economic project that will mean hundreds of jobs, and the expenditure of thousands of dollars for Canadian industry?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): The project will mean the expenditure of hundreds of millions of dollars in the Canadian industry, not only thousands. The government has been very supportive of this project. It is committed to it. We are very happy that the National Energy Board has put forth a recommendation supporting the completion of a gas pipeline system right through to Cape Breton and Halifax. I expect to be in a position to announce a government decision on this recommendation from the National Energy Board very shortly.