

National Housing Act

city and into the older suburban or even rural areas which in many cases are equally deserving of attention.

Another weakness of the program is that it is only available for family housing units. Older people living alone, students requiring hostel accommodation and handicapped people requiring special accommodation all would appear to be precluded from participating. Also, there is some doubt as to whether the loans will be available for conversion of larger residences to multiple family use on the basis of a loan for each dwelling unit created as a result of the conversion.

Perhaps the greatest weakness of the rehabilitation program, however, is the limitation of \$2,000 as the maximum amount of loan that can be forgiven. Even if this amount were to be matched by the provincial government—which happily is no longer a condition of the federal loan as under last year's bill—the sum of \$4,000 is totally inadequate to bring most older houses up to even the most minimum housing standards, considering that this amount must cover plumbing, heating and electrical systems as well as any structural work that must be done.

• (2130)

In my view, it would not be unreasonable for the maximum federal loan to be set at \$8,000 to be made available at a beneficial rate of interest with up to \$4,000 to be forgiven in repayment over the life of the loan, depending on the occupier's income. With this sort of maximum, the loan and grant ceilings could vary, depending on the condition and size of the dwelling and the number of people it was capable of housing.

Finally, I am concerned about some of the after effects of the rehabilitation program which do not appear to have been considered by the draftsmen of this bill. For example, would it not have been a feasible proposition to include as part of the federal-provincial agreements, where they exist at least, that the provinces and municipalities must implement five or ten-year tax moratoriums on properties which have been rehabilitated? Otherwise, substantial property tax increases in the future may well be a strong psychological hindrance to low or medium-income families becoming involved in the program. Also, in cases where rehabilitation loans go to landlords, the bill might have been more specific about a minimum period of rent control and restrictions on resale, rather than leaving these matters to be determined by way of individual contract with CMHC.

Turning now to a related program, the neighbourhood improvement scheme is a welcome replacement for the old bulldozer-type urban renewal schemes of the past, as the minister noted last Thursday. There is a new emphasis on citizen participation, and the development and enforcement of occupancy and building maintenance standards is a most desirable feature, although the definition of these terms may cause some confusion. I am quite sure the minister is aware of the confusion he has caused by the lack of definition of these occupancy and maintenance standards.

One deficiency of the program is that the federal share of improving municipal and public utility services and relocating noxious uses is limited to 25 per cent, which in my view is a derogation from the general 50 per cent

[Mr. Atkey.]

cost-sharing formula which otherwise forms the basis of the program. Also, there is no apparent reason residential buildings outside the neighbourhood improvement areas which are slated for acquisition and demolition should be subject only to a 25 rather than 50 per cent federal contribution. It is also significant that for demolition of buildings outside a neighbourhood improvement area, the government did not think it necessary to require the province or the municipality to have citizen participation. Regrettably, it is not in the bill before us.

A note of caution should be injected here concerning the pervasive and paternalistic role envisaged for CMHC under clause 27 of the bill. It would appear from this clause that the corporation will be asserting a right to have a major say in local planning decisions since the agreements between the corporation and the province will set out the criteria upon the basis of which neighbourhood improvement areas may be selected and prescribe the manner in which the selection of such areas shall be made. Moreover, such agreements envisage a federal contribution of 50 per cent to the formulation and selection of plans to be implemented in the neighbourhood, which in my experience implies direct CMHC control of the formulation and selection process. If any decision-making function should belong to the people at the local level, surely neighbourhood planning is the prime example. Yet this program will virtually guarantee federal intervention. The omniscient presence and controlling sanctions of big brother CMHC will only be too evident. Potentially, this is the top-down approach taken to the extreme.

On a more positive note, I welcome the provision of loans of up to \$10,000 for the improvement of commercial premises in the neighbourhood. This will help many small businessmen who are obliged to relocate as a result of demolition or who wish to expand in an area undergoing rehabilitation. This is a very sound and sane approach to neighbourhood improvement generally.

Now let me ask a few questions about the government's crown jewel in all of its housing programs, the land banking scheme. Let me ask the minister what portion, if any, of the \$100 million per year will be loaned out for acquiring and servicing land for housing in the middle of the cities. Will the government approve in-city land banking of underused industrial properties which are capable of conversion to residential use? Is the government prepared to recognize that in the larger cities it may be possible in some cases to create new neighbourhoods close to the downtown jobs rather than to overburden our transportation facilities by placing all the new housing in the suburbs?

In the downtown area of my home city of Toronto, for example, the development of the new Metro Centre will accommodate 50,000 jobs; the new Bank of Montreal building will accommodate 15,000 jobs; the new Royal Bank building will accommodate 10,000 jobs, and the Eaton Centre will accommodate 15,000 jobs. There will be 90,000 workers in these four projects alone. Yet the only project that has a housing element is Metro Centre, and for only 7,000 families. Where are we to get housing for the people working in all these jobs?

As the minister may or may not be aware, there is a substantial amount of underused industrial land close to