

2. Issue clear and comprehensive guidelines as to the roles and responsibilities of the financial institutions, after discussion and agreement with the lenders.
3. Produce standard operating procedures across all jurisdictions, including turn-around criteria.
4. Provide annual summary data on the total dollar volume of reserve lending to be made available in each jurisdiction, to people in government and to the banks so they can understand where a lot of the lending is taking place.
5. Acknowledge lenders' conditions, such as those with respect to environmental concerns, or at least discuss them.
6. Appoint authorized representatives from each organization and empower them to make decisions, to deal with and properly resolve outstanding concerns.

The CBA commented that where a band borrows money, at present, both CMHC mortgage insurance and a guarantee by the Minister of INAC are provided to the lender. However, the CBA would lend the money based solely on the Ministerial guarantee.

The involvement of both CMHC and DIAND complicates housing for First Nations in other ways. Overall, there does not appear to be a great deal of over all co-ordination between CMHC and DIAND. For example, the AFN commented to the Committee that there are interesting ideas which have been implemented elsewhere in Canada which have not been explored for possible application to reserves. Such ideas include the self-build concept behind the CMHCs Demonstration Program which ran from 1986-1991 (now part of the RNH program).

Program or budget changes in either department affect the number of houses which are built. The 1992 federal cuts to CMHC have reduced the number of units which can be built on-reserve. CMHC estimates that instead of funding 1,070 units, only 842 will be funded in 1992. (*Minutes of Proceedings and Evidence*, Issue No. 19:12)

Since DIAND has the lead role on reserve, this affects the allocation of CMHC units. CMHC has effectively given DIAND control over the allocation of the CMHC budget on reserve, although there are liaison committees in each Region, and attempts are currently underway to involve Aboriginal people. Basically, CMHC advises DIAND what the annual budget is, and DIAND decides the allocation in each Region. Within each Region, DIAND informs CMHC which bands are on the list for a project for the next year. (*Minutes of Proceedings and Evidence*, Issue No. 19:12)

Under DIAND's Social Development Program, DIAND provides a shelter allowance for those tenants who are receiving social assistance only where CMHC pays an operating subsidy. When the operating subsidy ends, so too does the shelter allowance. For the most part, these payments cover cost such as fuel, utilities and maintenance/repairs. It has been suggested that this distinction be removed, and the allowance paid even where there is not a CMHC loan. (Mr. John Rayner, Assistant Deputy Minister, Department of Indian Affairs, *Minutes of Proceedings and Evidence*, Issue No. 10:13)

Witnesses, including the FSIN suggested that DIAND and CMHC on-reserve programs should be amalgamated into one. (*Minutes of Proceedings and Evidence*, Issue No. 23:6) In fact, this option was raised as early as 1986 in an evaluation of DIANDs On-Reserve Housing Program prepared by EKOS Research Associates.² The report went on to state that the program could then be taken over by an aboriginal organization.

First Nations requiring housing related infrastructure cannot obtain this funding from the Housing Program. Money must be found from the *Capital Facilities and Community Ser-*