

rate was $7\frac{1}{4}$ per cent. What I did say was that the CMHC programs, section 16, section 35, and other programs related to sewage treatment, land assembly, etc. have been reduced as of the day before yesterday from $7\frac{7}{8}$ in one case and $8\frac{1}{4}$ in another to $7\frac{1}{2}$ per cent. That is the federal government's direct lending program under those sections of the Act and it does not affect in anything but an indirect way the private market rate which is currently floating around $9\frac{1}{4}$ per cent to $9\frac{1}{2}$ per cent.

MAXIMUM CMHC GUARANTEE ON HOME IMPROVEMENT LOANS

Mr. Walter C. Carter (St. John's West): May I direct a supplementary question to the Minister without Portfolio in charge of housing, Mr. Speaker. In view of the rapid deterioration of housing quality in many Canadian centres, can the minister tell the House if the government is thinking of increasing the maximum amounts guaranteed by CMHC with respect to home improvement loans in order to cover the rising cost of building materials and labour?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, we made amendments to the National Housing Act in June, 1969, permitting loans for the purchase of existing housing and the rehabilitation of existing housing. In those cases provision was made for a maximum mortgage loan of \$18,000. We are increasing the funding of our direct program through CMHC to encourage that kind of activity. I referred to that in my comments the other day and also in answer to a question from another hon. member.

REDUCTION OF INTEREST RATE ON DIRECT LOANS BY CMHC

Mr. John Gilbert (Broadview): A supplementary question, Mr. Speaker. Perhaps I should direct it to the Minister of Finance inasmuch as he is over here obtaining advice from my leader.

Some hon. Members: Hear, hear!

Mr. Gilbert: May I direct my question to the Minister without Portfolio responsible for housing.

An hon. Member: The Minister of Finance has returned to his seat.

Mr. Gilbert: Is it the intention of the minister to reduce the interest rate on direct loans presently being made by CMHC?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, we made a reduction within the last six or eight weeks. It was a slight reduction. As soon as it seems possible to do so, it will be my desire to lower it again. The rate currently stands at $9\frac{1}{4}$ per cent.

Inquiries of the Ministry

AIRPORTS

STE. SCHOLASTIQUE—NUMBER OF JOBS TO BE CREATED

[Translation]

Mr. Roch La Salle (Joliette): Mr. Speaker, I would like to direct a question to the Minister of Transport.

Two weeks ago the minister told me in his reply that he was not aware of the figures quoted by a Quebec organization on the number of jobs that will be created by the Ste. Scholastique complex. I would like to ask him whether he has checked those figures and if that project is still capable of providing 75,000 new jobs?

[English]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I think I answered that question reasonably fully on the last occasion by saying that both sets of figures, the ones that were presented by the officials in the first instance and the ones that have subsequently come to light from other agencies, were estimates. I have asked the officials to take another look at them to see whether they can be refined further. They are only estimates, and I think it is fair to say that one set could probably be defended every bit as well as the other.

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AIR TRANSPORT

RECOMMENDATIONS AFFECTING TRANSPORT DEPARTMENT AND AIR CANADA FOLLOWING INQUIRY INTO DC-8 CRASH

Mr. Don Mazankowski (Vegreville): Mr. Speaker, may I direct a question to the Minister of Transport. Since the board of inquiry which investigated the crash of the DC-8L jetliner in Toronto was critical of the Department of Transport and Air Canada, would the minister undertake to make a statement on motions assuring us that those recommendations which were announced by the inquiry are being considered and in fact incorporated?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. I think the hon. member ought to have completed his comments by saying that there were references to several other agencies besides Air Canada and the Department of Transport. To the extent that the recommendations apply directly to DOT, we accept those without qualification. We are seeing what can be done now to implement those recommendations. On the broader question, the whole issue is being examined and I will report to the House when we have arrived at conclusions.

Mr. Mazankowski: Mr. Speaker, in view of the minister's statement the other day, in which he suggested that he had no doubt about the airworthiness of the DC-8L jetliner, are we to assume that the criticism in the report recommending a redesign of the engine to wing assembly