

Housing

ing future of Canada in terms of an anticipated 240,000 starts. It is very important that the department not evaluate this in terms of starts, or evaluate all our programs in numerical numbers. We must look at the 25 or 30 programs of the department to see whether they address the deepseated problems of housing. It is not right to think we are curing our housing situation by enumerating starts.

The AHOP program has been a considerable success. However, we must recognize that there are some problems. Because of the economic conditions in the country, there is a bit of a glut. People are finding that the cost of real estate fees and repainting often represent more than their equity. The spectre of a significant number of mortgage defaults must now be faced. I understand this is particularly troublesome in the eastern provinces.

I now wish to deal with the RRAP program. Regulations have recently been changed in the Residential Rehabilitation Assistance Program. These changes seem likely to lead to smaller loans and smaller applications, since the program has been changed from one of rehabilitation to one of patching up. For example, it is no longer possible for an applicant to replace dilapidated ancillary buildings.

Mr. Blais: Hold your breath.

Mrs. Pigott: I will not hold my breath, not with the mails the way they are today. I am sorry; I could not resist that.

An hon. Member: The minister's whisper is quite loud.

Mr. Blais: Never mind my conversation with my confrère.

Mrs. Pigott: There is the very fine Housing and Urban Development Association. These people have put forth very constructive programs. I was in association work before coming to this great chamber.

The Acting Speaker (Mr. Turner): Order, please. It being one o'clock, I do now leave the chair until two o'clock.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mrs. Pigott: Mr. Speaker, I would like to continue to express some of my concerns about what is happening in the housing and development market at the present time. One of them relates to the apparent flight of some of our developers to the sunny climes. I believe they have a long list of good reasons for deciding to take their development money south of the border, and I think it is important that the ministry take the time to inform itself about those reasons. I am sure the Housing and Urban Development Association could be very helpful in identifying the reasons for this flight.

[Mrs. Pigott.]

We must not only address ourselves to eastern Canada and to the Montreal area; we must look at what is happening to the Toronto market. I understand that unemployment in the industry is around 50 per cent and will probably climb to around 60 per cent in the course of the winter. There is great concern that no housing starts are taking place at the moment. I sense that the ministry is preoccupied with just one jurisdiction and that it is more concerned about organizational charts than with the real world and the fact that we need more development in our major urban centres.

Another area I wish to address relates to the intrusion of the federal government into provincial capitals and municipal centres, areas which really belong to the jurisdiction of the provinces. Housing is a provincial responsibility, but over the years the federal government has taken over the provincial responsibility of deciding land type and housing competition in urban projects.

The recently announced Canadian Home Insulation Program is one more example of federal entry into provincial jurisdiction. Other speakers from my party will be addressing this question in more detail later. Why are CHIP grants given directly to individuals, rather than to the provinces, when housing is under provincial jurisdiction? Why were representatives of the various provinces moved to say that no meaningful consultation took place before the program was put in place? Why was it only yesterday, three months after initiation of the insulation program, that meetings took place? It is a sad commentary, too, that the one province which did not agree to participate in the program at the beginning was given the head office. That was another example of intrusion into provincial rights before they had expressed a willingness to accept the program.

One cannot but be very concerned about the people who live in such areas as are represented by my hon. friend, the member for Humber-St. George's-St. Barbe (Mr. Marshall), who face a very bleak winter in houses which are in need of repair as well as insulation. But applications for this necessary work are held up because of the heavy workload in local CMHC offices.

The growth of direct federal entry into municipal affairs began with CMHC involvement in urban renewal. Federal assumption of real estate around harbours, airports and railways within its jurisdiction followed. Then Ottawa began to see urban problems as being in the national interest. Here I would like to remind hon. members of the fact that in 1970, when the Ministry of State for Urban Affairs was formed, it was vowed that the federal government intended only to co-ordinate urban activities relating to its jurisdiction over federal property. At the same time as the government was talking about national objectives, the phrase "urban problems" which was felt, somehow, to be federal, replaced "municipal affairs" which had a provincial connotation. In June, 1971, when the motion proposing the establishment of the Ministry of State for Urban Affairs was presented, it was said—and here I want to quote because I think it is very important to note that we are straying from the original concept.