

fully involved in housing. The Liberal-Socialists on my left would certainly agree with that. To date, certainly, we have all known of this corporation's mortgage business. Many thousands of Canadians have been able to take advantage of the government's mortgage scheme, although many more thousands could not afford to do so. But I am not sure that many Canadians are aware of Central Mortgage and Housing Corporation's housing operations which, like many other government enterprises, are not models of operating efficiency. Those who really need the government's help find that government housing is unacceptable or unavailable because they cannot afford to take advantage of the government's offers.

Perhaps Central Mortgage and Housing Corporation is planning to branch out. Vote 10 of the main estimates relating to Central Mortgage and Housing Corporation, for the calendar year 1974, provides for expenditures on housing research; for the amounts of loans forgiven; for contributions made in respect of loans to facilitate home ownership; for losses resulting from the operation of public housing projects; for losses resulting from the sale of mortgages, and so on. The last item of the vote reads "for the cost of acquiring Granville Island and for the loss incurred in the redevelopment, administration and operation of the island." There is no breakdown of the total of \$143.2 million listed under Vote 10. Granville Island, as I say, is mentioned in the last item in the vote.

Granville Island is in Vancouver; thus, CMHC has acquired the 42-acre Granville Island, which has nothing whatever to do with mortgages or housing. This man-made island in the city's False Creek was turned over to CMHC by the Department of Transport's National Harbours Board, which had been leasing it out as an industrial estate for years. It seems that the land, where the leases have expired, has been converted to parks and some \$20,000 worth of trees have been planted on it. Most other leases run to 1983, but several have 20 years or more to run; so CMHC will have a lame duck industrial estate on its hands until nearly the end of the century. The government's mortgage and housing corporation had to manage its industrial estate and care for its expensive parks, so it hired a project manager at a salary of \$25,000 plus support staff.

It will not surprise members of this House to know that the project manager happens to be the former president of the British Columbia Liberal Association. He was selected, said the former minister of state for urban affairs, because of his business qualifications. Nothing was said of the failure of two private companies with which this man was closely associated, I believe as president. Both of them suffered from fatal financial problems when this man was running the Liberal campaign in the 1972 federal election. Most governments, by interfering in the free market, create problems. The report by the National Council of Welfare on the low-income consumer in the Canadian marketplace, called "Prices and the Poor" has this to say about housing and food. May I begin quoting from page 17:

What are the poor getting in return for this large outlay of money? The answer is all too apparent: They are getting the worst housing in Canada.

The report goes on to say:

... it should be noted that the possibility of a low-income family

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buying a home has become practically nil in the major urban centres of Canada.

According to the report, the poor are excluded from housing. I continue quoting:

... the supply of low-cost housing is grossly insufficient to meet demand. And the root of the supply problem is the extremely high cost of land in virtually every Canadian city...

One traditional response to the low-cost housing problem has been public housing. Public housing has usually taken the form of large complexes set either in the most undesirable urban locations or in the most inaccessible outlying locations. Many low-income families forced out of inner-city accommodation enter public housing. But a great many more are unable to enter public housing because the supply falls so far short of demand...

The great public housing complexes which only a few years ago seemed to be the solution to the low-cost housing problem are now recognized to be a thoroughly inadequate response.

The report continues:

Unless it is applied only in the short term and tied to a program for generating a major expansion in the supply of low-income housing, rent control in Canada would ultimately result in an even more reduced supply of low-cost housing... If the housing problem in Canada is to be solved, the solution can only come through the development of a comprehensive national housing policy. At present there is no such comprehensive policy, only a collection of ad hoc, often unrelated or even contradictory, specific programs that have been developed over the years.

● (1720)

I think that is sufficient criticism of the past operations of CMHC. I do not think the members of this House should believe that a new name is going to change the operations.

**Mr. Woolliams:** Not until we get a new government.

**Mr. Clarke (Vancouver Quadra):** CMHC has done its share for higher housing costs through some of these actions. It has had extremely stringent requirements on some of its mortgage loans, for example sewers instead of septic tanks on all houses which will qualify for loans. CMHC has been the victim of the present government's inflation policies. In the recent budget debate I pointed out the drastic effect of higher interest rates on housing costs. Of course, not even the government is willing to lend its money at a rate much lower than the rate of inflation plus a reasonable rate of return. Finally, I repeat to members opposite that their time, the time of this House and the taxpayers' money could be better directed than in dealing with a bill such as the one before us, and I call for its rejection by this House.

**Mr. John Gilbert (Broadview):** The explanatory note of Bill C-215 reads:

The purpose of this Bill is to change the name of "Central Mortgage and Housing Corporation" (and in French the words "Société centrale d'hypothèques et de logement") to "Habitat Canada".

This would have the advantage of providing a shorter name for the corporation and one that is the same in both official languages.

I have never, in my nine years here, experienced such a waste of debating time and money as set forth in this proposed bill. We have a serious inflation problem. We are discussing problems with regard to the high cost of living. We have a serious housing problem and a petroleum problem. Yet the hon. member for York West (Mr. Fleming) brings forth Bill C-215 to change "Central Housing and