

Oral Questions

mammoth economic problem that needs to be solved. There is an opportunity for those of us in the rest of the world, who are interested in the strength of the Soviet economy, to participate in restructuring that economy. We are prepared to meet that challenge.

The hon. member asks about specific proposals that Canada might put forward. The Prime Minister has already put forward several. One includes the encouragement of the chairman of the economic summit each year to consult regularly as a matter of course with the President of the Soviet Union. Another is the indication by Canada that we would be prepared to move toward observer status for the Soviet Union in the GATT so that the Soviets can become more fully integrated into the world market economy in which they ultimately have to compete. We have talked about relaxation of Comecon rules. We have talked about a range of other specific proposals.

The Prime Minister was also prepared to take part in a mission, which I think the hon. member was belittling, the mission by some 240 Canadian business persons, who are prepared to go over and apply their expertise and capital to help in practical ways to allow the Soviet Union to begin the kind of recovery that is essential.

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[*Translation*]

HOUSING

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, my question is for the Minister of State for Housing.

On November 23, I asked the Minister of State for Finance whether his government was prepared to agree to have the rental part of the federal home renovation program apply at the very least to any Canadian municipality with a program that complements the federal one.

Two weeks later, I note that the government has still not acted and I ask the Minister whether his government is prepared to recognize the tremendous harm which this government decision is causing many Canadian municipalities, and whether he intends to accept my proposal.

[*English*]

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, about the same time the hon. member asked that question in the House I was attending a meeting of housing ministers of the provinces and myself dealing with the question of allocation of federal funds to the provinces in coming years.

At the same time I had the opportunity to meet the Quebec Minister of Housing, Mr. Picotte, and discuss with him the question which the hon. member has raised. It was agreed at that meeting that we would deal with it in the context of Quebec on the basis of tripartite discussions between the federal government representatives, provincial government representatives and municipal government representatives. A tripartite committee has been established in Quebec made up of federal-provincial representatives from the city of Montreal, the city of Verdun and the city of Quebec.

As I understand it they had their first meeting to deal with the subject last Friday and they will be meeting again soon.

[*Translation*]

Mr. Ouellet: Mr. Speaker, I thank the minister for the remarks he just made to the House, which show the need to solve this problem, in particular for municipalities with a program that complements the federal one and which are more affected—I am thinking especially of Montreal. I wonder whether the minister knows that this arbitrary decision of the Conservative government is depriving Montreal of 95 per cent of the federal funds for home renovation.

Montreal now has 60,000 homes which need major renovations. Will the Minister do something to correct this unspeakable injustice to Montreal—yes or no? A committee is all very well, but a decision can only be made by the Minister and I ask him to act quickly.

[*English*]

Mr. Redway: Yesterday, Mr. Speaker, I met with representatives of the Federation of Canadian Municipalities to discuss the same issue. We will be having