

Proceedings on Adjournment Motion

Then the Central Mortgage and Housing people went to Hillcrest, the bulk lease housing area within the boundaries of the town of Summerside itself. I might explain that Summerside is a town of some 10,000 people. Central Mortgage and Housing said, "How much would it cost to rent a home within the confines of Summerside itself?" What they came up with was an equation under which most people in Hillcrest would pay more, in some cases \$13, \$15 or \$17 per month, while rents at Siemen Park might be reduced by some \$20 or \$30 a month, thereby creating a new differential of between \$30 and \$40 a month.

That in itself was serious enough, even if one forgets other forms of discrimination. Those who have established rents at Siemen Park have included in those rents the cost of utilities such as heat and light. The people of Siemen Park, of course, do not pay transport expenses to go to and from their work. Those who rent in Hillcrest, on the other hand, would pay something like \$20 a month or more for heat and up to \$20 a month for light. They incur transportation costs in going three miles to work and there are also extra school costs. Therefore, on the average Hillcrest families must pay an extra differential of about \$70 a month.

It is particularly shocking to think that such a situation could be permitted, particularly since service people at CFB Summerside have no choice as to where they are to be located. It is true they can apply for housing at Siemen Park. However, they must accept what is offered to them when that offer is made. If they refuse, naturally they drop to the bottom of the housing list. So we have people in a captive situation.

I might add, in parenthesis, that they would not be captive if they decided to live outside the forces establishment altogether, that is, outside either PMQ or bulk lease housing areas. However, if they are to accept accommodation provided by the military, they are in a captive position. To my mind, great injustice is being perpetrated in these circumstances. I know from complaints received from other personnel living in married quarters, particularly at Chatham, New Brunswick, that a similar situation must prevail there as well.

Rents for military personnel in the past few years have increased substantially and I begin to wonder if pay increases such personnel have been granted from time to time are not being totally obliterated by rent increases. I hope, therefore, that this evening the parliamentary secretary will assure me that this matter is being fully reviewed and that there is some hope of bringing about an equitable adjustment for those who are adversely affected.

Mr. J.-R. Comtois (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, for the period April 1, 1968, to March 31, 1972, charges for married quarters were set by averaging the appraised rental values of all similar types of houses at all bases in Canada. These appraised rental values are set by CMHC, based on equivalent civilian market rentals by areas. Under this system the same charges apply to the same type of house regardless of location. In high cost areas this charge was lower than local rents, the difference being made up by occupants in married quarters in low-cost areas.

[Mr. MacDonald (Egmont).]

During the past four years rentals have increased greatly in urban areas while those in rural areas have remained relatively constant. With the ever widening gap in appraised rental values, the subsidy required from occupants in rural areas became too high and continuation of the averaging system beyond March, 1972, was unrealistic. By late 1971 some servicemen were refusing to accept married quarters in some low cost areas where civilian rental housing was available at lower rents.

As stated by the former minister of national defence last December, the matter has been under study to determine whether some revisions are required. The result of this study produced the recommendation that the national averaging process be discontinued and effective April 1, 1972, the charges be set on the basis of appraised value by location.

Since civilian market rentals vary by location, so do married quarters charges. This has resulted in charges for 8,200 married quarters being reduced while the rent for about 150 will remain unchanged. In areas such as Summerside, rental values are low and all married quarters occupants will receive reductions on April 1. For the remaining 16,500 the monthly charge will increase by varying amounts—for instance, in Chatham, New Brunswick, where appraisal values are high. Charges to married quarters occupants will increase in set amounts by ranks, that is, to a maximum of \$15 for sergeants and below, \$17 for warrant officers and captains, \$20 for majors and amounts for other senior ranks up to \$30 per month for colonels. Had we remained on the national averaging basis, charges for all married quarters would have gone up.

Regulations make provision for any base commander to comment on the system and to submit details of any inequity which he feels may exist. Some submissions have already been received. These will be investigated by Canadian forces headquarters.

The Acting Speaker (Mr. Boulanger): Order. The hon. member for Don Valley (Mr. Kaplan).

Mr. Comtois: I am almost finished, Mr. Speaker.

Mr. MacDonald (Egmont): On a point of order.

The Acting Speaker (Mr. Boulanger): Order. As the hon. member knows, he cannot, under the rules, raise a point of order at this time.

Mr. MacDonald (Egmont): I was about to say—

The Acting Speaker (Mr. Boulanger): This is not the way the rules are applied. I call upon the hon. member for Don Valley.

Mr. Forrestall: On a question of privilege. Do you mean to say there is no question of privilege?

The Acting Speaker (Mr. Boulanger): Order. The hon. member knows there is no such thing as a point of order or any such discussion under these special arrangements. The hon. member for Don Valley.

Mr. Forrestall: I rise on a question of privilege and ask you to make an order with respect to privilege.