

National Housing Act

government wanted the federal government to give a three year forward commitment on funds, in other words, not to have the kind of roller coaster we have now, where for months on end the provinces wait, do nothing, make no plans, buy no land, do not put in sewer or water connections, and do not put in power lines because they do not know how much they will receive from Ottawa. Then suddenly, particularly near the end of the year, Ottawa realizes it has not spent all the money allocated, and the provinces are flooded with money they cannot use. I will come to that in a moment in respect of my own province of Manitoba.

Finally, the provincial government of Ontario wanted the federal government to give the provinces block funding, with the provinces and the local governments using the funds where they saw the need. Surely that makes a great deal more sense than the unilateral, inconsistent decisions made by the present minister, which seem to have two objectives in mind: first, not what are the needs of the people, but what will get us the votes; second, what the builders and developers want, not what the people who need houses want.

Let me discuss for just a couple of minutes the situation in Manitoba. I wish to do that because, as I have already said, the minister's program is conceived and executed with virtually no consultation with the provinces. The province of Manitoba had been willing and had gone into very extensive public housing and elderly persons' housing programs from 1972 to 1973. In the last couple of years it has done a great deal less, to a large extent because it has had so little co-operation from the federal government.

Early in 1975 the federal government cut back the funds allocated to the province of Manitoba for public housing to around \$15 million. The province was willing to use at least \$25 million more—and it still is—but it did not hear about it for almost the whole of 1975, and only recently has there been any indication from the federal government that there would be money available. Then, of course, if the money is not used before the fiscal year is over, the province will be blamed for inefficiency and for not being ready to use all the money which is available.

The province should have known early in 1975 how much money Ottawa was prepared to give to it for housing projects in Manitoba. The province is ready to go forward with a number of limited dividend housing projects. These are projects funded under a special CMHC program involving fixed limits on rent charges. At least that is what we have always thought. The federal government is supposedly particularly interested in the limited dividend program, and the province of Manitoba is willing to co-operate, although it has some concern about certain aspects of the program, including the possibility that the rental charges for some units may be too high.

The government said, before the most recent announcement in the last few days, that indeed the rental charges in some limited dividend housing projects are to be increased by as much as 30 per cent, and I hope to have a few minutes to talk about that. The province of Manitoba wanted to secure an agreement with Ottawa that if limited dividend housing were constructed by the Manitoba Housing and Renewal Corporation, federal rent regulations would be flexible enough to ensure that those who really

need accommodation would not be excluded because they could not afford to pay the prescribed standard rent.

Some Manitoba senior citizens houses were erected by non profit organizations such as the Legion, Kiwanis, and many other organizations which deserve a great deal of credit for the efforts they made. They are now finding it difficult to keep their tenants because there is no program for subsidizing rents for people who are, in the main, old age pensioners and those who are living on very limited incomes. The province of Manitoba has indicated to the tenants and to the federal government that it is prepared jointly to subsidize the rents of those who cannot afford the full rent. As far as I know, until recently the federal government refused to co-operate in that kind of subsidization.

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The province of Manitoba is arguing very strongly for the development of a medium term federal housing investment plan designed to ensure, as the province of Ontario was arguing, that adequate funds would be committed to housing for at least the next five years. The province argued that the demand for housing across Canada would remain unfilled even if there were 250,000 starts each year until 1980. They realized that a rational plan was needed to meet this demand, a plan which would recognize that adequate housing is a necessity of life and a legitimate right of every Canadian. Housing investment should be planned in that light and not manipulated as a tool of fiscal policy where the tap gets turned off or turned on, depending on national economic conditions.

When I was speaking earlier I was chastized by members on the other side because I suggested the minister's goal of over 200,000 housing starts would not be met this year. I suppose the interjections were based on the fact that in the last couple of months there has been a sharp increase in the number of starts each month. The figures were published today for the first eleven months of 1975 and, according to CMHC, there were 162,500 housing starts. Madam Speaker, there is no way that we are going to get another 37,500 units started in December, so in fact we are not going to get the 200,000 units the minister promised, let alone the 250,000 that the province of Manitoba has suggested we need.

I know that the minister and members opposite will say that in arguing that we ought to be pressing ahead with public housing, instead of the kind of Mickey Mouse programs of assisted ownership the minister has been pushing, we are being partisan, and so on. In this respect I should like to quote from a statement made by the Canadian Council on Social Development as reported in the *Globe and Mail* of November 13, 1975, as follows:

Low income people have been getting a declining portion of federal housing aid in recent years, says Jeffrey Patterson, housing program director for the Canadian Council on Social Development.

Later the article reads:

CMHC figures show that the share of the corporation's capital budget going to public housing rose to 37.4 per cent in 1972 from 24.3 per cent in 1970.

The minister who was in charge of housing in 1972 deserves commendation, particularly when we find that in 1974 the proportion is not the 24.3 per cent it was in 1970,