

units. In many respects this type of housing has more of the aspects of home ownership than rental housing. The effect of the change will be to allow rather larger loans on owner occupied duplexes than has been the case in the past.

We propose an extension of the period of amortization in respect of both home ownership and rental housing loans. The purpose of the change is to effect a reduction in the monthly payments of the home owner and thereby permit people with smaller incomes to enter into the home ownership class. The effect of a longer period of amortization on rental housing loans will be to make the investment in rental housing more attractive by a reduction in the monthly debt service.

In an effort to assist in meeting the need caused by the shortage of serviced land, we propose that the lending institutions be vested with power to buy land and service it for sale to prospective home owners and builders. Some municipalities are reluctant to service fringe area land. As a result, a builder must finance the building up to the stage of the first mortgage advance, and also pay for the installed services. By this measure we hope to ease the shortage of land, and to assist the builder by reducing his working capital requirements. The government will guarantee the lending institutions against loss with respect to land so assembled, and in turn will control the sale price to the prospective home owner. I will deal with this proposal in detail at the time of the second reading of the bill. In addition to the provisions which I have outlined, it is proposed by the bill to add to the National Housing Act a section which will empower the Central Mortgage and Housing Corporation to make a direct loan to a borrower to assist in the construction of a house or a rental housing project.

The act already authorizes the corporation to make loans to limited dividend companies, and loans to mining, lumbering, logging and fishing companies to construct housing projects. The proposed section differs from these in that it enters the field already occupied by joint lending. The reason for the proposed amendment is that the lending institutions feel that to increase the ratio of loan to lending value and increase the period of amortization opens up a field not attractive to them. They have expressed reluctance to the proposed changes, with respect to both the higher ratio loans and the longer period of amortization for home owners. The section would also make it possible for the corporation to make loans in areas where the lending institutions are hesitant to make loans. We consider that the cor-

poration should be empowered to make direct loans when joint loans are not available, so that the facilities of the National Housing Act will always be available.

The bill will propose two other changes which are technical in character rather than ones which involve basic principles. We will be seeking authority for the Central Mortgage and Housing Corporation to convey property which it is administering for the crown. We have in mind particularly Wartime Housing units which are being sold to tenants. The transfer of property from the crown by letters patent is cumbersome, laborious and slow. This will be particularly applicable with respect to the transfer or conveyancing of a large number of small lots upon which Wartime Housing units have been built. Comparable authority is held by the Canadian farm loan board and the director of the Veterans' Land Act.

Finally, we will ask for a procedural amendment whereby the corporation will report upon the operations of the National Housing Act at the same time and in the same fashion as it reports on its own corporate operations.

Mr. E. B. McKAY (Weyburn): Mr. Speaker, with respect to this resolution to amend the National Housing Act, 1944, I for one feel that the facilities of the act should be extended into the field of subsidized housing. Housing is one of Canada's most urgent problems. When one realizes that a large percentage of the residents of this country live in quarters leased from landlords, he cannot help recognizing that the number of houses actually owned by Canadians is altogether too small. According to the Canada Year Book for 1941, the census figures show that in urban centres owner-occupied dwellings represented only forty per cent of all occupied dwellings in Canada. In the large cities the situation is even worse. According to the tenants' league, more than eighty per cent of the families resident in Montreal are tenants. Most of these people are tenants, not of their own choosing but because they have not had sufficient income to provide homes for themselves.

The Curtis report of 1943 on housing stated that two-thirds of the Canadian people cannot afford rentals exceeding \$25 a month. This group, which represents 66½ per cent of Canada's population, obviously cannot afford, on their present incomes, to buy or to build homes sufficient for their own needs. Almost every family in Canada would like to own a home of its own.

Wartime housing is a type of subsidized housing, but is not so in the strictest sense of