

property tax already overstrained by the pressure on expenditures. I think that the municipalities, with their intimate knowledge of the population needs in their area and their ability to effect zoning, are in a position to move more quickly than any other agency or level of government in the field of housing development, non-profit public housing, and would do so if only this parliament would provide them with the incentive and encouragement that I believe they need.

I think it goes without saying that, on the whole, the record of municipalities in this field is not particularly great. This is why we should provide every incentive possible and eliminate any possible excuse for inaction at the municipal level. A municipality would be able to respond quickly if a particular plot of land suddenly became available which might be suitable for senior citizens housing, or public housing, or limited dividend housing for either families or single people. Certainly, they would be able to respond more quickly than any other level of government, and to do so in a manner that would most closely meet the needs of people in the area.

Therefore, I hope that this House will support the amendment, which will provide municipalities with mortgage loans of up to 100 per cent of the lending value of rental housing projects undertaken by them. As for the constitutional difficulties—there are more than niceties here—they may be created if a province believes it is being discriminated against vis-à-vis the municipalities, but I really do not consider that these are substantive objections to this amendment. In view of the need to encourage municipalities to move in this area, the 5 per cent that we are quibbling about is a small price to pay.

**Mr. Stan Darling (Parry Sound-Muskoka):** Mr. Speaker, I was under the impression that this amendment would be going through without too much debate, that we were not going to spend too much time on it. I feel it certainly has a great deal of merit. I am also aware that certain things may be constitutionally wrong with it. A great many of the small municipalities are not able to get enough housing constructed, and I can only add my voice to those that advocate we use every available angle and do everything possible to provide every means to enable the municipalities to meet their housing needs.

I am of the opinion that this amendment would be of great assistance to many small municipalities. As mentioned before by other speakers, the 5 per cent, which would be little or nothing to some of the more affluent municipalities, means a great deal to some small towns and villages. As I have mentioned to the House on two or three previous occasions, I had the privilege of being head of a small municipality for 26 years. When we were looking for additional funds for this and that, we always thought of the taxpayer as the person to look to, and if it meant an extra one or two mills we would not do anything about it. In this case the municipal governments would be able to take the bull by the horns and do something on their own. Certainly, they are creatures of the provinces and dance to their tune like little puppets. If they were able to bypass the province, although I respect and understand the position taken by the minister, a great many municipalities would jump for joy and bless the minister for enabling them to take direct action.

### *National Housing Act*

Therefore, I hope the minister will say: "All right, it is worth it; whether it is constitutionally right or not, let us give it a chance". If it provides housing for even 10 municipalities in rural Canada, I think the amendment is worth supporting.

**Mr. Deputy Speaker:** Is the House ready for the question.

**Some hon. Members:** Question.

**Mr. Deputy Speaker:** All those in favour of the motion will please say yea.

**Some hon. Members:** Yea.

**Mr. Deputy Speaker:** All those opposed will please say nay.

**Some hon. Members:** Nay.

*And more than five members having risen:*

**Mr. Deputy Speaker:** Pursuant to section (11) of Standing Order 75, the recorded division on the proposed motion stands deferred.

Earlier, Mr. Speaker indicated the method of disposition of the remaining motions at the report stage. He indicated that motions numbered 3 to 6 inclusive and motions 9 to 12 inclusive bear upon the question of the rate of interest of moneys lent under the provisions of the act and suggested that those motions be grouped in two for debating purposes. Therefore, the Chair now proposes that motions numbered 3, 5, 9 and 11, all of which contain a similar provision, be voted upon and debated as one question. Perhaps I should indicate that we are proceeding with the debate on motion No. 3 under Notices of Motions pursuant to Standing Order 75(5) at page iii of the order paper. The hon. member for Calgary North moves the following motions Nos. 3, 5, 9 and 11:

● (1640)

That Bill C-133, An Act to amend the National Housing Act, be amended by striking out lines 38 to 45 on page 10 thereof and by substituting therefor the following:

"Governor in Council, which rate shall not exceed by more than one-half of one per cent the rate of interest return that would be yielded in the market by Government of Canada bonds that, at the time the rate of interest is prescribed under this paragraph, would mature in twenty years, such return to be determined by the Governor in Council on the basis of the yields of the most comparable issues of Government of Canada bonds outstanding in the market; and"

That Bill C-133, An Act to amend the National Housing Act, be amended by striking out lines 5 to 12, on page 13 thereof and by substituting therefor the following:

"Governor in Council, which rate shall not exceed by more than one-half of one per cent the rate of interest return that would be yielded in the market by Government of Canada bonds that, at the time the rate of interest is prescribed under this paragraph, would mature in twenty years, such return to be determined by the Governor in Council on the basis of the yields of the most comparable issues of Government of Canada bonds outstanding in the market;".

That Bill C-133, An Act to amend the National Housing Act, be amended by striking out lines 33 to 40 on page 22 thereof and by substituting therefor the following:

"in Council, which rate shall not exceed by more than one-half of one per cent the rate of interest return that would be yielded