

*Supply—Resources and Development*

refuses to restore this measure, which so greatly assists those who wish to buy a new house.

Now, because of the abolition of the one-sixth mortgage loan, it is generally agreed today that a man must earn at least \$5,000 a year, for at least four years, in order to set aside the \$2,000 or more which is now required as a down payment on a new house. That means that people with incomes of less than \$5,000 a year are virtually excluded from buying a new house. This, I believe, defeats the purpose of any good housing legislation, which is to encourage people with low incomes to own their own homes.

I believe that good housing is an essential to sound and happy family life. In this regard, I would like to refer to the opinion expressed by the secretary of the Canadian Welfare Council's family welfare division, when speaking at a meeting of the Canadian Welfare Council in Ottawa on May 14 last. On that occasion she said:

A lack of housing has become Canada's most acute social problem affecting family life. More cases of family quarrelling, desertions and juvenile delinquency have been traced to the housing scarcity than to any other cause. My estimate is based on field reports by Canadian welfare agencies. The housing problem already has been brought to the attention of the federal government, but so far, little has been done about it.

Mr. Chairman, I believe that we must do everything possible to encourage people to buy their own homes, because it is one of the best investments that we can possibly make in good citizenship. Unfortunately, however, the government's present housing regulations make it virtually impossible for a man with an income of less than \$5,000 a year to buy a new house.

The maximum down payment which a workingman can lay aside, over a reasonable period, is about \$1,000. I believe, Mr. Chairman, that the government must take steps to see that a good minimum house can be obtained by making a down payment of \$1,000. This investment in better housing for working people will, I believe, pay off many times over in the years ahead in healthier, happier and better citizens.

Now, another kind of housing which I believe is of prime importance to a great many people is good rental housing at a reasonable rent. The answer to that problem, I believe, is the low-rental housing project, in which the three levels of government participate.

My own city of Toronto has an excellent example of that kind of housing, in the Regent Park project. I believe that Toronto needs at least four more of these projects, and I hope, now that the province of Ontario has

taken over the 7½ per cent of the cost formerly borne by the municipalities, that Toronto and many other centres will undertake projects of this kind on a large scale.

I hope that the city of Toronto will very soon be presenting plans to the Ontario government for several of these housing projects. I also hope that other provinces will follow the example of Ontario, in assuming the full 25 per cent of the cost formerly shared by the province and the municipality.

This relieving of the municipalities of their share of the cost should, I believe, make it easy for many centres to undertake these low-rental housing projects. I believe, Mr. Chairman, that they are the only answer to the housing problems of a very large number of Canadians.

**The Chairman:** Shall the items carry?

**Hon. Robert H. Winters (Minister of Resources and Development):** Before they do carry, Mr. Chairman, I just wish to say a word of appreciation to those who have taken part in the debate which I think has been of a high order and very constructive.

I agree with the hon. member for Eglinton in particular as to the value of the committee, and rather than reply in detail here today I would refer hon. members, and anyone else who wants to read a full and comprehensive report of the various aspects of the housing problem, to the proceedings of the committee wherein matters of detail and certain aspects of policy are dealt with. Answers were given to various questions which arose.

It is all very well to say that the level of loans should be increased and that the amount of the down payments should be decreased. However, the majority of houses are not built under the terms of the National Housing Act, and I can only speak for those that are built under its provisions.

I can say that we have had difficulty in persuading the lending institutions to go along as far as they have in making loans available and in reducing down payments. They feel that there is a limit beyond which the intrinsic value is just not there. I say in that same connection, having in mind the abolition of the one-sixth loan, this action was taken for reasons which were mentioned—that is shortage of materials and the fear that a great many houses would be started and not completed; and also we had in mind the great defence effort which was the first claim against materials and other resources. Subsequently a step was taken which had the effect of restoring the one-sixth, and that was to make available loans in the amount of 80 per cent of the agreed sale price.

[Mr. Hees.]