

Mr. BATES: Yes, I think it is true to say that at no time has the Corporation been encouraged by the Government to go out and try to sell its services in rural areas, or even in urban areas. The general attitude has been that we are standing behind the financial institutions and behind the Government, but that we are not doing any front desk selling job in terms of housing. Mr. Green has drawn this to our attention, and has asked us to devote increased attention to such areas as you are interested in.

We are now proceeding to follow this course. We are, for example, instructing our branch managers when they go through smaller towns—and we have a great many of them in Canada—to make a point of stopping and meeting the reeve or mayor, as the case may be, let him know what services we have available, leave some literature with him and some with the weekly newspaper, and in that way see if we can follow it up and do a little more development in the smaller areas.

It is an interesting fact that one will observe in a certain small town there may be perhaps ten new N.H.A. houses built in the past five or six years, while in a near-by village there are no N.H.A. houses. On inquiry we find that Mr. A. in the first community built an N.H.A. house, and he got the scheme started, while in the second community no one initiated it and so no houses were built.

With respect to your other questions, senator, we are very much concerned with the situation, but less so in Shelburne than in Newfoundland where a really different type of house has to be provided for the shore fisherman, for example. He cannot provide himself with the kind of housing that we would think of as being appropriate to the suburbs of Saint John, Halifax or elsewhere. A much lower cost house has to be found, and a house on which there can be a substantial amount of do-it-yourself operations.

We have been working with the people of Newfoundland on this type of project, and we have evolved a type of house that can be constructed in two stages: the first section could provide him and his family with adequate accommodation for about a year, and the second stage could be carried out by the fisherman himself without employing any labour. That is, he could have the basic unit started, and additional rooms later.

Senator DUPUIS: Excuse me. May I ask you, in those cases where the fisherman is allowed to do the work himself, is a certain amount for his wages allowed as a deduction from the loan?

Mr. BATES: Yes. We do not reserve this for fishermen only, but for house builders anywhere. We will make an allowance for the labour the owner puts into the house. For example, we do this in all the co-operatives in Nova Scotia: an allowance is made for what a man puts in himself; that is part of his equity, part of his down payment. We are quite willing to contemplate that in the case of any home owner, but clearly I think the point that the senator from Shelburne is raising would be the whole question of low cost housing.

May I say, it is very difficult to define what is low cost housing. I do not know what it means. I know what cheap housing is, but low cost housing is something different. If we are thinking in the terms of the lifetime of the house, its maintenance, upkeep, repairs and so on, it may be a very cheap house to begin with, but may run into a very substantial repair cost later on. For instance, a man may find a cheap lot 10 miles out of Ottawa and place a low cost house on that lot. Then he and his five children spend the rest of their lives driving in and out of Ottawa to business and school. In such a case the expenditures he makes on his automobiles are really part of the housing cost—he can't avoid it.