

Supply—National Revenue

lessened to any degree by the outline the minister has just given to the committee. If anything it has been heightened.

The minister says that there were some 1,146 houses in this project and that they were a part of 12,000 low rental houses that were built for veterans across Canada. Then he went on to say that these were not to be subsidized houses but houses which were to pay the actual cost. But then he went on to say that when it was decided in 1954 to make them available for sale, the sale price in some communities of necessity had to be higher than cost in order not to disturb the market. I take it this means that if C.M.H.C. was going to balance out its operations over the entire 12,000 houses and if some of the houses were going to be sold for more than they cost, then in other communities they were going to be sold for less than they cost. The government which objected to subsidizing houses, was really asking the veterans to subsidize veterans' houses in some instances. Veterans in some parts of Canada were going to subsidize veterans in other parts of Canada. It seems to me the height of absurdity to object to government subsidization and yet to ask veterans to subsidize other veterans' houses in other parts of Canada.

The argument which the minister posed, that they could not disturb the market, seems to me like a typical real estate argument. These were veterans. These were men who had lost years of income. These were men who deserved special consideration from the country, and to say it was necessary to charge them more than cost merely for fear of disturbing the local real estate market seems to me the strangest argument I have ever heard advanced for charging veterans more than they should have been called upon to pay.

The minister says that by 1959 they had finally worked out what the cost of these houses would be and that for the Fraserview veterans' housing project the price set at that time was \$2,000 higher than the actual cost. Of course, at that time there was to be a rebate of \$1,000 but this was later cancelled and instead there is to be a reduction of \$300 or \$500 depending upon certain categories. If I understood the minister correctly, what he is really saying is that in order to balance out the total cost of the entire 12,000 houses the veterans in the Fraserview project who decided to buy their houses were going to be charged in 1959 \$2,000 more than it actually

cost to build those houses. Instead of a reduction of \$2,000, there is a reduction of only \$300 or \$500 as the case may be. The minister is shaking his head, so I do not want to proceed on this line if I am wrong. May I ask the minister, is that not what he said? In 1959 the price which he said the veterans were prepared to accept in the schedule was \$2,000 higher than the actual cost of constructing these homes? I notice the minister shaking his head, and I do not want to make a statement that is incorrect.

Mr. Nicholson: What I was saying, or at least by nodding my head was indicating, was that the statement was not in accordance with what I tried to say earlier this afternoon. The new sale program was introduced in 1954, and was introduced in Vancouver in February of 1959. The original program was to provide houses at a modest rental for veterans who urgently needed houses when they returned from the two wars. You were converting a purely rental project to one giving the veterans an opportunity to buy the houses into which they had put some of their own efforts and to which they had become attached.

At that time, in 1954 and 1955, and in the case of Vancouver in 1959, you were going to sell the houses and it was no longer a case of getting just a rental that would cover it. With housing values as they were in Vancouver—I am sure the hon. member knows they were really higher than in Halifax or some other place—the government would get out of the sale project, not just a rental project, on a nation-wide basis without making or losing any money.

I should like to read into the record, for the benefit of the hon. member and also the hon. member for Vancouver East, a letter that was sent by the Fraserview community association. It is dated February 10, 1959 and it is addressed to Central Mortgage and Housing Corporation, re offer of sale of Fraserview homes. I quote:

Further to our telephone conversation with you this morning, we are pleased to report the outcome of the meeting of this association held last evening in the auditorium of Sir James Douglas school with reference to the above question.

This meeting was attended by more than 500 members of the Fraserview veterans' community. Subsequent to presentation of our report of the meeting with you on February 2 together with the schedule of prices upon which sale of the Fraserview homes will be based, and a subsequent detailed question period, a show of hands indication was called on two questions.

To the first, viz., approval in principle of the schedule of proposed home prices and terms, well over 90 per cent indicated affirmatively.