

## Supply—National Revenue

few years had somehow been destroyed. I hope that since that answer was given in the house a couple of years ago, perhaps those records have been found and we can now have the complete story.

May I ask the minister, as he gives some thought to his answer, that he bring back into his memory *Hansard* page 754, October 22, 1962, which records the parliamentary return we received. This parliamentary return indicated that the total cost of 1,137 houses built in Fraserview, including land and servicing of the buildings, amounted to \$11,340,452, which works out at an average of \$9,972 per house. This was the average cost to the government in 1949. A profit has been made on the rentals and on the sales, and now you want to sell the houses to the veterans at more than they cost in 1949. On what basis of decency, sir, could there be any explanation? We will be interested in hearing it.

This is not just my own view. I know it is the view of the minister that what a Liberal candidate says when he is running for election must not be held against him if he is successful and becomes a member of the government. Here we have the Minister of Northern Affairs and National Resources, who is the member for Vancouver South, in which Fraserview is located, making the following statement. I want to read this to substantiate our request for decent treatment for the Fraserview veterans. This appeared in the 1963 election campaign, and I want to read every word on this page because this was directed to every veteran in Fraserview. I quote:

Arthur Laing

5957 West Boulevard, Vancouver 13, B.C.

**An hon. Member:** Speak louder.

**Mr. Winch:** Believe it or not, boys, I could.

Dear Constituent:

To the residents of Fraserview:

In the general election of 1962 I made an issue of the method by which C.M.H.C. was seeking to sell the houses in the Fraserview area.

It was obvious that the basic philosophy which prompted the development in 1949 had been abandoned—

This, of course, was by the Conservatives.

—and that the low rent concept no longer had an appeal to the government at least on this project. It appeared that memory was short, that this was a project for returning veterans who had lost a few years of normal incomes not denied to those who were not overseas.

It appeared to me that a 25 year mortgage carrying interest as high as 6½ per cent on these houses not only failed to recognize the residuary principle of assisted housing but would be hard to

defend in a private market. As view lot property and from the angle of the services installed the area is superb. But upon discharge of the mortgage offered the houses would be almost 40 years old. Their construction is not such as to give validity to such an undertaking.

To obtain information I asked two very detailed questions... I ask that the answers be studied carefully.

Please note from the answers the following facts:

A. The average original cost of land, services and houses was \$9,808.

B. Straight line depreciation of 2½ per cent was computed for the purpose of determining the corporation's book value of the properties.

C. The project was originally financed at a borrowing rate of 2 per cent per annum.

D. No instructions were ever issued that the sale price was to be based on the actual cost rather than current market value.

E. The sales prices are established on a basis to recover nationally the government's outlay in a program involving 12,000 houses throughout Canada.

F. There is an admission that identical houses are being sold in Vernon for \$2,500 less. The defence is that in addition to the original cost of construction present market value and location are considered.

The method of straight line 2½ per cent depreciation would place book value of the properties, on average, at under \$7,000. Fraserview being considered a premium property, prices have been set that pick up losses incurred in other parts of the country.

I believe that an injustice is being done the residents of Fraserview in the present methods of sale. I think proof of injustice is contained in the answers of the Department of Public Works. I shall continue to seek redress of our grievances here, which, when complete must include an adjustment for the some 400 properties already sold.

Sincerely,

Arthur Laing, Liberal

candidate, Vancouver South.

This was the letter written before last year's election by the man who is now Minister of Northern Affairs and National Resources and is the member of parliament for the constituents to whom he wrote this letter, a letter in which he stated that the Conservative policy was to charge Fraserview a price that would pick up losses on the other 12,000 veterans' homes built across Canada, a letter in which he admitted that taking into account the depreciation charges in the books of C.M.H.C., the value per home in 1963 was under \$7,000. That was his statement before he became a cabinet minister.

He also stated that the owners of the 400 homes that had been bought prior to the 1963 election were entitled to a redress because they had been overcharged by Central Mortgage and Housing Corporation. In view of this entire situation, in view of the situation of the minister as a candidate just over one year ago, in view of the importance of this to the veterans, in view of the policy