

National Housing Act

My question is this. How will this affect the over-all contribution made to the municipalities? Will it have any effect—that is my point—or will it still mean that the government is making roughly a 50 per cent contribution under either formula?

Mr. Winters: I think the big contribution this section will make to the redevelopment of cities is in the end use of the redeveloped land. The present statute places a limitation on what the redeveloped land might be used for. This amendment opens that considerably. In many places where there is substandard housing it often happens that the area does not lend itself to redevelopment for housing purposes, as I said before in the house. I think that has been one of the obstacles in the way of civic redevelopment. We are saying now that redeveloped land may be used for its best purposes. That is spelled out in the section. It envisages that an area which is now given over for residential purposes can be used for commercial, industrial or other purposes, whichever is the highest use for which the area is envisaged in the over-all civic plan.

On the monetary side of it, the general formula is the same but the change in application I think is important. The old formula provided for a grant which was half the net cost of acquiring and clearing the land, and a grant was made after the operation had been completed. That meant that the municipality was obliged to finance the undertaking from the outset until final completion and to carry all the charges that go with financing. Under the bill now before us it will be possible for Central Mortgage and Housing Corporation to pay as the costs are incurred, and thereby relieve the municipality of quite a bit of the heavy onus of financing the project during the course of acquisition and clearance.

Mr. Ellis: Mr. Chairman, I can appreciate that slight effect, in that a municipality will perhaps be spared the carrying charges on a certain sum of money which under the present section it would be obliged to provide. However, I am concerned about the 50 per cent formula, because in answer to my previous question the minister intimated that there had been only two cities in Canada which had been able to take advantage of this assistance or which have seen fit to do so.

I hardly believe that cities in Canada are not anxious to avail themselves of any assistance. I am quite certain that cities throughout Canada would be most anxious to undertake projects of this type. I can only conclude that their failure to do so is based on their inability to finance their share of

the cost. My suggestion therefore is that while the change will be of some slight benefit, I am not too certain that as a result of this new bill we shall get any substantial increase in slum clearance throughout the country. I hope I am wrong in that respect, but judging from the past record I think we have no real reason for believing that the municipalities are going to be in any better position now than they were a few years ago to undertake the tremendous burden of 50 per cent of the cost of slum clearance.

With reference to the statement made by the minister that under the new section, the removal of the limitation in the existing part III which requires that this land be used for low-cost or moderate-rental housing or for federal, provincial or municipal public purposes will perhaps provide a further incentive to municipalities to clear blighted areas, may I say that we are concerned about housing. While I say it is highly commendable that municipalities across the country should undertake the removal of blighted areas, nevertheless if they are simply going to reassign that area to commercial purposes, for example, we are still not getting to the heart of the matter, which is the provision of adequate low-cost housing.

I am just wondering now whether the minister really feels that the elimination of this previous restriction is going to assist—and I should like to know the manner in which it is going to assist, if he feels it is going to do so—the building of additional low-cost housing units in those cities.

Mr. Richardson: Perhaps before the minister replies to the hon. member for Regina City I might make an observation and ask a question. First of all, there may be some difference of opinion between the hon. member for Saint John-Albert and the Minister of Citizenship and Immigration, representing Bonavista-Twillingate, as to which is the older city in Canada, but certainly one who comes from Montreal as I do would believe that Montreal is the most mature city in Canada.

The question I should like to ask is whether, in view of the agreement which has been entered into by the three authorities in respect of the rehabilitation program in Montreal, there is anything we on the federal side may do to expedite the matter? The very fact that it has been brought about recently, does not that partly answer the question raised by the hon. member for Regina City?

Mr. Winters: Perhaps I might answer this question and thank the hon. member for St. Lawrence-St. George for his contribution.