

*National Housing Act*

category. Incidentally I may say that suggestion has been made by a number of organizations interested in housing. We could increase our participation in the subsidization of housing. We certainly could expand the limited dividend housing arrangement and remove the restrictions that are there. But beyond all this, and overriding these various suggestions that are made from time to time, I think one of the glaring faults, especially in the last couple of years, with regard to the National Housing Act is that its original basis, the original reason it was put into effect and the conditions which existed at that time, have now changed. It is therefore necessary to change the philosophy and the outlook of the government and the outlook of the people administering the act, and the actual form of the act itself.

I suggest that a complete overhaul must be made of our national housing legislation in the light of changing circumstances. Whether it be done by a royal commission, a joint committee of this house and the other place, internally within the department or within C.M.H.C., it does not matter too much to me so long as it is done, so long as the act is overhauled and so long as we are going to operate our act on the basis of the needs and the desires of our people, especially those in the low income groups, and how we can best accommodate them. That cannot be done now as the legislation stands and as it is administered.

I would suggest that the act is not only out of date from my point of view but that this idea is taken up by Central Mortgage and Housing Corporation itself in its own annual report for 1957 where, at page 9 it says this. I do not know whether C.M.H.C. were justified in interpreting what parliament did; nevertheless this is the attitude that is expressed at page 9 of this report:

Parliament in passing the National Housing Act in 1954, had never intended that the corporation should become a major supplier of mortgage money.

It was on that basis that the act was enacted. It was on that basis that C.M.H.C. has been operating. It was on that basis apparently that parliament in 1954 put this legislation on the statute books, namely that it never intended C.M.H.C. to become a major supplier of mortgage money. But we find that this is precisely what has happened within the last two years, and the statistics were given by the minister. They are to be found in *Hansard* somewhere; I do not think I need to look them up. They appear also in the annual report of C.M.H.C. to which I have referred on two or three occasions.

[Mr. Howard.]

In the last two years we have seen that these private lending institutions—the insurance companies, the mortgage companies, the banks and so on—have failed in their responsibility to society to provide money for housing. Consequently the federal government has been obliged to step into the picture; and again we are being obliged to increase our allocation of funds to C.M.H.C. by this very resolution that is before us at the moment.

In 1955 C.M.H.C. provided only 2.7 per cent of the funds under the act; only one fiftieth of the amount of money spent on housing under the act came from the corporation. In 1956 this amount was almost doubled to 4.8 per cent, so that approximately one twenty-fifth of the money spent under the N.H.A. came from the corporation. But then in 1957 we discovered that it was necessary for the federal government and the corporation to take an even greater part in the field of home building, and almost half the entire money spent in Canada came from C.M.H.C. or from the government. This situation is hardly in balance with the announced attitude as to why the act was passed, one of the statements being that it was never intended that the corporation should become a major supplier of money.

We are now a major supplier of money, supplying in one year, I believe, half the entire amount of money provided under the act itself; and again in 1958, if I recall what the minister said, we were in somewhat the same position, again supplying almost half the total amount of money provided under the N.H.A. If this situation does not give some reasons for completely overhauling the act, I do not know what does; and for overhauling the attitude of this government in so far as supplying housing to people in need and who require it, not necessarily on the basis of effective demand, as is the practice at the moment. Until we can do something in that line we shall still be faltering along. These people in the low income groups will still find housing too far out of reach for them to buy it. They will still find interest rates far too high and they will find that, for one reason or another, they are not able to increase their annual incomes in order to attain the housing that is required.

I hope the minister will take this matter into consideration. Knowing that sunny disposition he has, especially after having looked at the crocuses and daffodils that are growing in our native province, I hope he will come back here with that sunshine and with that basic socialist approach he has to