

for the benefit of the 70 French speaking members of parliament, another deputy minister, and a French speaking one.

(Text):

Item agreed to.

374. Additional amount for housing research and community planning as contemplated by part V of the National Housing Act, 1954, and to authorize commitments against future years in the amount of \$585,900, \$1,649,000.

**Mr. Garland:** Mr. Chairman, I suggested that perhaps we could proceed with dispatch by asking questions and receiving answers as we go along.

In respect to the sale of mortgages, apart from the mortgages that were sold recently amounting to \$15 million, could the minister tell us the dollar value of the mortgages sold by C.M.H.C. during 1960 and 1961 to the last available date, which I presume is May 31?

**Mr. Walker:** Mr. Chairman, none were sold in 1960 and the only group sold in 1961 was that completed yesterday amounting to \$12,500,000.

**Mr. Garland:** I thank the minister. The minister earlier today in his announcement to the house indicated that 30 parcels of mortgages were offered for sale of which five were not sold because there were no bids received. Could the minister explain why there were no bids received?

**Mr. Walker:** It is very difficult for us to tell why people do not bid but let me inform the hon. member that there were no bids received in connection with certain areas. As my hon. friend will appreciate, because he is interested in mortgages and knows that sometimes approved lenders discriminate against certain areas, it would not be in the interests of those areas, would it, for me to disclose them? The hon. member will appreciate that. What I am always trying to do with approved lenders is to get them into different areas. Last year, when we had a shortage of funds for direct lending, I was always, on behalf of hon. members from the west and from other areas which are somewhat far distant, trying to get the approved lenders to invest in those areas. I do not think it would be appropriate, and I think my hon. friend will agree with me, to insist that we disclose the particular areas in which there were no bids on the mortgages held in those areas.

**Mr. Garland:** I agree with what the minister has just said and his reasoning is quite logical. But it is fair to assume that it was because of the area—

**Mr. Walker:** Yes.

**Mr. Garland:**—in which mortgages were located that no bids were received? Will the minister tell us what formula or basis is used in putting those parcels and packages together? Are they all one builder or are they all in one area? Could the minister say a word on this?

**Mr. Walker:** Each of the parcels was for an amortization term of 25 years. One parcel would be for Quebec, the different places in Quebec where money is lent. Another parcel would be for Nova Scotia, including Halifax and the other places where loans are made. There was a different grouping according to territories for each of the parcels.

**Mr. Garland:** By "territories" does the minister mean by provinces?

**Mr. Walker:** Not necessarily, more by areas within each province.

**Mr. Garland:** Can the minister say whether Central Mortgage and Housing Corporation allowed the bidders to inspect those properties before the bids were made?

**Mr. Walker:** They had time to do so if they wished. They knew the location of the properties and had they wished to inspect them they could have done so.

**Mr. Garland:** I make this suggestion to be helpful. Could some encouragement be offered or could it be suggested that they do have the opportunity? I am not sure that it was known to all the bidders that they did have the opportunity of inspecting. My reason for mentioning this is quite simple. I am very much in favour of the establishment of an effective secondary mortgage market. I should not like to see anything done which might in any way stand in the way of its success. It seems to me that if it were known to the bidders that they did have the opportunity to make an actual inspection of the properties concerned it might be useful.

**Mr. Walker:** What the hon. member has just said is certainly something that we should take into consideration. I should also say that we have had no requests from any of the bidders.

**Mr. Garland:** Am I to assume from the minister's answer that no inspection was made?

**Mr. Walker:** No, I cannot say whether or not any inspection has been made. As I say, so far as the knowledge of the president is concerned, we know of no requests.