

APPENDIX A

THE CANADIAN FEDERATION OF AGRICULTURE

111 Sparks St.
Ottawa, Canada
November 24, 1960.

Hon. David James Walker
Minister of Public Works
Hunter Building
Ottawa, Ontario

Dear Mr. Walker:

With amendments to the National Housing Act now before the house we would like to raise with you again a matter that was mentioned by us at the Prime Minister's Conference on Employment—namely measures to give greater assistance to the construction of farm housing, and especially of second-dwelling accommodation for hired help.

It is an extremely well-recognized fact that adequacy of housing accommodation for hired help on farms where such help is regularly used is a major factor in determining whether or not a farmer is successful in employing competent labour on a satisfactory and permanent basis. The lack of such adequate accommodation is a serious problem for a great many farmers.

It should be noted that we have here a case where the employer must bear responsibility for building and owning the housing of the employee—in the nature of the case. The normal situation in our society is of course for employees to look after their own housing needs. The result is that an additional burden of capital cost is put on the owner of the farm.

To obtain a loan for building a house under the National Housing Act at the present time a farmer must give to the Corporation or to the approved lender a first mortgage on his entire farm. It is for this reason that the National Housing Act has had virtually no application in the farm housing field.

We would suggest that additional amendments be introduced to the present Bill to amend the National Housing Act to provide:

(1) For the construction by a farmer of accommodation for employees on terms along the general lines provided for corporations in the mining, lumbering, logging and fishing industries in Section 17 of the present Act. The provisions contained in Section 17 would have to be modified somewhat in the case of farmers: for examples, an individual farmer, as well as a corporate body, would have to be eligible; the 15-year limit on repayment periods should be lengthened, and we would think, in line with the trend in the provisions of the Act today, the 80% limit on the loan as a percentage of lending value should be increased. A new section (or amendment of Section 17) along these lines could, we understand, be quite easily introduced and the regulations needed under it could then be worked out.

(2) Some provision might well be made for the farmer himself to build housing accommodation for himself without tying up his whole farm in a first mortgage.

We cannot say just how widespread would be the use made of such lending provisions under present conditions of farm income difficulties, but we are inclined to think there would be quite a lot of interest. We do think that such a provision would help the effort to expand employment in the economy.

Yours sincerely,

H. H. Hannam,
President & Managing Director.