

Private Enterprise and Government

The policy of the Government is to press forward with an ever-increasing supply of new housing by measures which seem to be prudent, reasonable and fitting to the concept of the majority of Canadians as to the role which Government should play in an undertaking which has been, and should remain, essentially one for private enterprise. We prefer, and I am quite sure that the members of this Real Estate Board also prefer, that the maximum amount of new housing be inserted into our housing stock on an economic basis. By this I mean that it would be desirable if no element of Government assistance were required and if all Canadian families were able to pay economic rents, or their equivalent in the field of home ownership. Were such the case, then the National Housing Act would today be very different legislation.

Notwithstanding our desire to see private enterprise do the whole job, there is reason to believe that there are housing needs which neither are nor can be looked after by the traditional method of adding to our stock of housing. In a city such as this, it probably is the case that about one-third of the population are in a position to acquire new houses either in the home ownership or the rental fields. Over the years the traditional method of adding housing to our stock has been for this economic third to acquire the new housing, and the remaining two-thirds of the population to acquire second, third, fourth and fifth-hand housing at prices which are commensurate with their family income or resort to multiple occupancy. If a condition develops, and in degree I believe it has, that this filter process is not fully meeting the needs of the population as a whole, then it seems to the interest of everybody, including private enterprise, that facilities should be made available so that the more pressing housing needs of people of all income classes can be met.

It was against this background that three years ago the public housing provisions of Section 35 were approved by Parliament. This section provides for economic housing but it also envisages public housing involving rental subsidies to families whose incomes are so low that economic rentals cannot be paid by them. I would like to emphasize, however, that this measure was brought forward on the basis that it would be employed only upon the request of provincial governments, and with their participation. For constitutional and other reasons, the Federal Government feels that the provincial governments, together with their emanations, the municipalities are in the best position to know what is needed for each municipality. It's a basic principle of operations under Section 35 that subsidized projects can proceed only when the province and the municipality are sufficiently impressed with the necessity for such projects.

I would prefer, and I am sure you would too, that all new housing be on an economic basis with no rental or other form of subsidy. But if the field is to be reserved to economic housing produced by private enterprise, then entrepreneurs in the housing field will have to find some manner in which the nation's total housing needs can be looked after. It's not my purpose tonight to build a case for public housing to this meeting, but I think it is fair to say that there are sectors in our economy where