

I wish to put this in context. This is an amendment to Section 15 of the act which provides for housing to be built by non-profit corporations. The provisions of the bill will change the National Housing Act to make the provisions of support for non-profit housing corporations much more generous than they are at present. Under Section 15 of the act, non-profit housing corporations may be given a grant of up to 10 per cent for the start-up costs of a housing project, plus a loan or mortgage for 100 per cent of the balance. These non-profit corporations, as they are defined in the section, refer specifically to those non-profit non-governmental institutions which are formed for charitable purposes such as church, Kiwanis or service club groups and Metis associations such as those in Winnipeg or Edmonton, all of which are in the business of providing housing through the agency of a non-profit corporation. By reason of this amendment, co-operative housing groups which are formed to provide co-operative housing under this section are also included. Under this section, they would get a grant of up to 10 per cent and up to 100 per cent mortgages for their housing projects.

I hope this section will be used far more than it has in the past. Also, under Bill C-133, 95 per cent mortgages will be allowed to non-profit housing corporations owned by provinces or municipalities. The purpose of this amendment is to change the mortgage or loan amount available to municipally owned non-profit corporations from 95 per cent to 100 per cent.

There are good reasons for not supporting the amendment. First, I really do not think the present provision is unreasonable. There are very valid reasons for saying to municipally or provincially-owned corporations that if they are in earnest, they should be willing to put up 5 per cent of the value of the building or the project. I do not think that is a hardship on them. For example, they can do that by the provision of the land. It is a valid provision where there are other government owned housing corporations to require them to at least have some financial stake in the housing development. It is not unreasonable to put it at 5 per cent. I think it is a valuable measure.

It is essential that the percentage of loan support from the federal government to provincially and municipally non-profit housing corporations be the same. There should not be a difference between municipally and provincially owned corporations. It would truly be a mistake to put that kind of bias into the National Housing Act.

We are trying to do two things, support the work of charitable and co-operative corporations to the fullest extent and to make those provisions effective. Also, we wish to support provincially and municipally owned corporations in exactly the same way. There should not be a difference in our support.

We are trying to make the National Housing Act responsive to the housing needs across the country. Those needs differ. Provinces deal with the provision of housing in different ways. Manitoba uses a provincially owned corporation. Saskatchewan is in the course of setting up a housing corporation and also uses municipal corporations. At the present time, Ontario uses a provincially owned corporation but I have suggested our willingness to support them and Metro Toronto in a Metro Toronto owned

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housing corporation. Quebec uses a provincial corporation. It varies across the country.

It would be unwise to have a national policy that favours up to 100 per cent for municipally owned corporations but only 95 per cent for provincially owned corporations. That is a decision that must be made on the basis of consultation with the provinces and, through them, with their municipalities as to whether the needs in a particular area of the country can best be filled by a municipal corporation or a provincial one. There should not be a 5 per cent differential between one and the other. The provision and the support should be the same in either case. I argue very strenuously that we would be doing a disservice to some areas of the country if we said that the municipally owned corporations would get a greater degree of federal support than those provincially owned.

● (1620)

I listened with great interest to the hon. member for Vancouver Kingsway (Mrs. MacInnis) who spoke on public housing. In answer, I would say that this is not the public housing section of the National Housing Act, nor the public housing section of Bill C-133. I agree with everything she said as to the nature of public housing and the degree of support it should receive. I certainly have been trying to give public housing support of that kind.

The difficulty about the amendment is that the provinces could use it to circumvent the public housing provisions. They could do so by using this amendment to set up municipal corporations and get out of making provincial contributions to public housing development. I know this is not the intention of the amendment, but it is a possible effect. Provincial housing authorities could, if they wished, use the amendment to set up municipal corporations to borrow money from the federal government to the extent of 100 per cent, and take no further part in the public housing program provided for in sections 40 and 42 of the Act. With respect, this would be a most undesirable step. Therefore, though the amendment has obvious surface appeal, and though it has been moved with sincerity, it is not one I can recommend to the House.

**Mr. Eldon M. Woolliams (Calgary North):** Mr. Speaker, I listened with great interest to the mover of the motion and a number of members belonging to the New Democratic Party. I really do not feel the effect of the amendment would be as serious as the minister believes. What is meant, here, is an institution constituted for charitable purposes to help the average man or woman to whom the loans would be made. Then there is a desire to assist co-operative associations made up of men and women, people interested in constructing, improving or acquiring a housing project with the intention of providing houses for occupants, the majority of whom are members of the association. This is really a form of public housing.

What is the hon. member for Oshawa-Whitby (Mr. Broadbent) trying to do? He is asking authority for loans to be made to a housing corporation provided its shares are owned by a municipality. He does not want a corporation which is not serving the public interest to get the money. I agree that the municipalities are creatures of the provinces. A province passes a city act or a rural municipality act and sets up cities or rural municipalities. This is