

programs and is consequently one of its highest priorities. It includes social policy because federal money helps to finance public housing for the poor, and for the clearing of slums. It involves research policy because federal money and expertise are being used to study the problems of urban development and low-cost housing.

• (2:40 p.m.)

Because the task force proposed many innovations, its report had to be examined thoroughly and thoughtfully by many ministers, who needed to know the implications of these initiatives for their own areas of responsibility. For example, the Minister of Finance (Mr. Benson) had to know how much these measures would cost. The Minister of National Health and Welfare (Mr. Munro) had to consider how the proposals on public housing would affect his welfare programs. I am describing, of course, the normal procedures of cabinet government: a minister puts his proposals to his colleagues and hears their views and comments. This is the only way to achieve sound and comprehensive policies which take into account differing points of view, regional considerations and the implications of particular proposals for other government policies and initiatives. It does take time, but I think it is time well spent.

Since receiving the task force report we have covered a lot of ground. The examination of the substance of the proposed amendments to the National Housing Act was virtually completed by the beginning of this month and since then the actual drafting of the amendments has been completed by the Department of Justice. The government will introduce these amendments into the house in the very near future. Indeed, Mr. Speaker, I believe that these amendments will be ready for placing on the order paper at the beginning of next week.

Some hon. Members: Hear, hear.

Mr. Trudeau: The amendments which will be offered at that time will, of course, deal with those matters which are essentially under federal jurisdiction.

Some hon. Members: Hear, hear.

Mr. Trudeau: Among the amendments will be:

Provisions to increase the flow of mortgage funds from private lenders;

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Provisions to permit loan value ratios and limits to be established from time to time by the Governor in Council;

Provisions to extend the maximum amortization from 35 to 40 years;

Provisions to extend to existing housing generally the same terms as apply to new construction, except that the maximum loan on existing housing would be \$18,000;

Provisions to amend the national housing loan regulations to establish the maximum loans for home ownership or rental at \$25,000 and, for loans on existing housing at \$18,000;

Provisions to approve a form of mortgage with a five year roll-over, but with monthly payments calculated on an amortization of at least 25 years;

Provisions to reduce the rate of mortgage insurance fees by 50 per cent.

There will also be measures to increase the activity of limited dividend housing companies and non-profit housing companies in meeting the needs of low income families and elderly citizens. It is proposed to amend the present provisions of the act, (a) to increase the loan levels on projects constructed by such organizations from the present 90 per cent of value to 95 per cent of value and, (b), to permit limited dividend companies to construct projects in hostel or dormitory form as well as the self-contained accommodation to which the present provisions of the act restrict them.

Legislation on other important housing questions requires further consultation with the provinces. This introduces another aspect of housing policy which is every bit as important as the details of the amendments to the National Housing Act, that is, the way in which the federal government deals with the provinces and municipalities in housing matters. Housing policy is a subject which does not divide neatly into three compartments corresponding to the various levels of government. Progressive, imaginative and sound housing policy and urban development require the co-operation and energetic enthusiasm of all three levels of government. It is absolutely essential that the federal government, before it launches into programs which could have important implications for matters within provincial jurisdiction, should consider these implications and consult closely with the provinces.