

under the provisions of section 22 (1) of the act. The amount originally provided for this purpose under the act was \$250 million. And may I say that this original grant was made by the former administration: indeed, the bill we are considering tonight is to amend an act passed by the former administration. This is not something new being brought forward by the present administration.

As I say, the original amount was \$250 million, which was later increased to \$400 million. I understand that with the exception of a small amount, that sum has now been placed in loans, and for that reason it is urgent that the bill be passed as soon as possible so that house building operations can continue. The bill proposes that the \$400 million already granted be increased by a further sum of \$350 million to be distributed by way of mortgage loans.

Honourable senators, this sum should build quite a few houses. But it will do more than build houses: it will create employment for a lot of people; it will also use a lot of lumber that is piled up in the lumber yards throughout the country. These are good objectives, and I am in favour of the bill and will certainly support it. But I think we should be aware of the fact that the Government is bringing forward this bill not so much to alleviate the housing shortage in the country, as to give employment. I believe that is the admitted reason for bringing forward the bill at this time.

Hon. Mr. Quinn: A pretty good reason, too.

Hon. Mr. Macdonald: A very good reason. I was about to say it is a two-edged sword, but a two-edged sword does damage: rather, it is the opposite, in that it does good in two ways. Its effect will be to meet the need for housing and at the same time to give employment, and the security to the country is good.

One phase of the matter that does concern me is with respect to the advancing of money for the building of small homes. I sometimes wonder if we are not building too many small homes in Canada. I would ask the Leader of the Government to inform the house, if he can, of the size of houses which will be built by the new loans. It is quite all right for a young couple who are just starting off to have a house consisting of a livingroom, diningroom, kitchen, a bathroom and one bedroom; but, it is not long before they need at least two bedrooms. It seems to me there are too many houses now being built with only two bedrooms. As I travel across the country on trains I notice, particularly on the outskirts of every city

and community, a great many apparently small houses with not more than two bedrooms.

Honourable senators, this size of house is all right if the present and future generations are to be one or two-child families. But do you think the Government should encourage the building of so many small homes? More houses are necessary, but let us not fill up the country with one- or two-bedroom residences. Large families are contributing much to the development of our country. I believe children have a better chance to meet successfully the problems of the world if they have had some competition in their homes with a number of brothers and sisters. Although I am going to vote for this bill, I hope that under it not too many two-bedroom houses will be built.

(Translation):

Hon. Cyrille Vaillancourt: Honourable senators, may I be permitted to add a few words. In Quebec, through our credit unions, we have had quite a bit of experience in house building. At the present time our credit unions have outstanding loans amounting to more than \$225,000,000. Our difficulty is that the low income earner, because he finds building costs too high, is inclined to build too small a house. As my leader (Hon. Mr. Macdonald) said, a five-room house will do nicely for two people; but for a family, experience has shown that it takes a seven-room house. Such a house can rarely be built for less than \$11,000, unless you join a housing co-operative, when it is possible to reduce substantially the cost of the land and of construction. But co-operatives are not possible everywhere. They are practically impossible in some centres. Mind you, I am not criticizing the act; on the contrary, I approve of it, but it might possibly be improved. To prove that I am in favour of the act, I would like to refer to my 1957-1958 annual report for the *Fédération des Caisses populaires Desjardins*. This is what I had to say:

We believe that one of the best ways of solving the unemployment problem is to promote as far as possible the building of private homes and to facilitate ownership. The construction of buildings and houses opens up a market for lumber and for all the materials that go into construction, for all the accessories which make a home more pleasant and more comfortable, such as refrigerators, electric stoves and washing machines, etc., and finally, for the furnishings of a home.

Building is the industry which needs the most varied types of workers and which gives the whole country the most stable employment. Moreover, house building spreads employment over the whole country while, in the case of large public works, employment