so that the provinces which need legislative authority to join with the dominion may bring the matter before their legislatures as soon as possible. I cannot forecast whether all provinces will find the dominion proposals acceptable. But I can say that without exception provincial premiers and ministers have discussed these proposals, as well as other alternatives, in a most friendly way with a determination to improve housing conditions. There is indication that they consider these proposals to be reasonable, and it is my hope that most of the provinces will see fit to join with the dominion in its effort to meet the shortage of housing in Canada.

These proposals are directed towards establishing a long-term arrangement between the dominion and the provinces whereby the nation's housing needs for its citizens can be met. It is hoped that the present form of veterans' rental housing program can be merged into the new arrangement with the provinces. It is to be remembered that a greater supply of housing of all kinds will in itself relieve the housing needs of veterans. We appreciate that the housing needs of veterans of world war II is a continuing problem. Therefore, within the framework of these proposals, by veterans' preference where appropriate, we hope that housing for veterans will continue to be provided.

It will be remembered that under the 1949 veterans rental housing program the dominion built houses when municipalities participated by supplying land and services. Our 1949 veterans rental housing program shows clearly an increasing unwillingness and inability of the municipalities to participate in the present arrangements. Therefore, revised arrangements appear to be necessary to maintain a satisfactory flow of housing of this type. Under these proposals if the municipality and the province feel that a veterans' problem exists, houses may be produced for veterans' use. In particular, the dominion would be quite agreeable to proceeding with joint dominion-provincial projects with a veterans' preference. In my conversations with the provinces it was quite evident that the provinces are as aware of the need for houses for veterans as is the dominion.

No one can estimate the amount of additional housing which these proposals will create. The capacity of the construction industry, continuing effective demand by home owners, as well as the level of income of individuals, all have an effect upon the number of completions of residential units. No single method or approach in itself is a complete solution. The measures proposed today should be helpful. They may have the effect of increasing the total number of completions. If for any reason the volume of

new residential starts should tend to turn downward, these measures may well have the effect of maintaining a reasonable level of residential construction. They are an important step to minimize the wide swings in residential construction which have been the experience of the past. However, I would emphasize that these proposals are not our whole housing program. We will continue to press other measures which have proved successful in recent years, such as National Housing Act loans of other kinds, rental insurance, the expediting of building materials, the program of married quarters for the Department of National Defence, as well as research work directed towards improved methods of construction and economies in home building.

I hope the proposals outlined today will commend themselves to the house. Some success has attended our efforts in increasing the capacity of the house-building industry. There is no desire by the dominion to enter the direct construction field. The policy as enunciated by the Minister of Reconstruction and Supply in 1946 is the keystone of our present policy; that is, the creation of conditions favourable to a large housing program by private individuals and companies. Only to the extent that housing needs are not being met is it proposed that the dominion and the provinces will enter the field. It seems to me that only by the co-operative efforts of all levels of government and the house-building industry can we maintain our high volume of new residential construction and increase it beyond its present level.

Mr. Fleming: May I ask the minister one or two questions arising out of the interesting announcement he has just made? In the first place, is any specific assistance contemplated in connection with slum clearance? In the second place, is any limit being placed by the dominion government upon the amount of financial assistance it proposes to offer to the province under this policy?

Mr. Winters: These are of course matters of detail. The sections now in the act with respect to slum clearance are quite clear. I do not believe the statement I have just made is debatable at the moment, but there will be a resolution before the house relatively soon, upon which occasion I should be glad to discuss all these matters.

Mr. Smith (Calgary West): Purely as a matter of clarification I should like to ask a brief question. The minister spoke of various things being charges against the project. I assume he meant charges against the individual unit, so that some day a man may own his own house, and know what his debts are.

Mr. Winters: That is right.