

National Housing Act

scratched the surface and I hope ways and means will be found to build low rental housing. I know it is a problem to get prices down so as to be able to charge what might be considered low rentals but nevertheless it is a problem we have got to face. That, of course, brings us to the question of the high cost.

Now, there are a great many people who will say that we have ourselves to blame; that we priced ourselves out of the market; that wages are too high. These may be reasons, but they do not help us in solving the problem. I hope that during the year this government will give some consideration to reducing the cost of building low rental housing.

Then there is also the question of research for the housing industry. My hon. friends on the other side mentioned this a few minutes ago. We all know that industry spends a tremendous amount of money on research trying to find the cheapest and best way of manufacturing. It seems to me that Central Mortgage and Housing Corporation could conduct research along the same lines in connection with house building, discovering new materials and new methods. We in the building trades have always fought prefabricated houses. We like to have them built on the ground. Nevertheless, I think the minister might very well give some consideration to this aspect of the matter.

There is another point I should like to mention to the minister, and that is the production of low cost housing plans. It is true that last year Central Mortgage and Housing did bring out plans for a low cost house. However, I do not think they publicized them sufficiently. I think they should do more along those lines. They should develop a series of low cost houses for erection in the different parts of Canada, because one type of house may be suitable for Vancouver but quite unsuitable for Ontario and Quebec. I would impress upon the minister the need for getting his department to give some consideration to the production of low cost plans for different parts of this country, plans that would enable comfortable homes to be built at a reduction from today's prices.

I think that is all I have to say at this time. I welcome the opportunity of taking part in this debate.

(Translation):

Mr. Racine: Mr. Chairman, it goes without saying that we fully approve the resolution introduced by the Minister of Public Works, (Mr. Green) which tends to:

[Mr. Smith (Lincoln).]

—increase from \$750 million to 1 billion dollars the aggregate amount that may be paid out of the Consolidated Revenue Fund, under subsection (1) of section 22 of the Act.

I recall that last year the Minister of Public Works reminded the house that the purpose of the National Housing Act was to help people in lower income brackets to own a house or to find a decent home at a price they could afford.

Besides, on January 20, 1959, as recorded on page 3 of the English appendix to *Hansard*, for that date, I congratulated the government as follows:

Last year, the government made a substantial attempt to promote housing construction in this country, but unfortunately, this effort has not been and will not be as successful outside the cities.

I added:

Housing capital is largely supplied by life insurance companies, and these are hardly interested in rural investments.

At that time, Mr. Chairman, I had received from the chambers of commerce of the constituency I represent, a resolution asking, among other things:

—that the federal government guarantee housing loans granted by the caisses populaires on the same basis as those granted by life insurance companies, in order to promote construction and provide each family with the opportunity of becoming home-owners, which indirectly would indeed help alleviate seasonal unemployment.

I also note, according to a booklet prepared by the Central Housing and Mortgage Corporation, that it can make loans up to \$15,300. I agree that a \$15,300 loan would be rather high for a rural community, but I would ask the hon. minister whether it would not be proper to consider a plan designed to guarantee our small rural owners a loan of, say, \$5,000. According to the table of monthly payments, including amortization of principal, at an interest rate of 6 per cent, a \$6,000 loan would cost the home owner \$35.69 a month, including principal and interest. Under the circumstances, I feel that a loan of this amount would be very helpful to people in rural areas.

The National Housing Act has done a lot of good in cities, and we congratulate those who put it through, but I am now wondering whether it would not be possible to extend the same benefit to people who live outside the cities.

I therefore urge the Minister of Public Works to consider the possibility of granting loans based on the municipal assessment, in rural centres of 5,000 people or