

National Housing Act

Mr. Speaker, there must be a reason why private investors, insurance companies, trust companies and even banks are cutting down on housing loans at the present time, particularly in the past year, while the C.M.H.C. is stepping up its lending policy.

I am quite pleased that the C.M.H.C. has put all this money in the hands of prospective home owners, but there seems to be a significant drop in investments, and I believe the Minister of Public Works and the government should consider the problem.

I shall now deal with another aspect of the matter Mr. Speaker, and again referring to the same statistical tables, I find that loans granted by insurance companies, trust companies, banks or even the C.M.H.C. are channelled mainly to the cities.

Table 9, page 10 of the same publication, shows in metropolitan constituencies, for the ten months ending in October 1957, a total of 51,933 houses were built, while for the ten months ending in October 1958, the total was 81,224.

In territories described as major urban areas, 8,794 houses were built during a 10 month period ending in October 1957, while 12,721 houses had been built during the corresponding period of 1958.

In all other areas, including those with a population of 5,000 and over, 41,470 houses were built during the 10-month period ending in October 1957, as compared to 46,824 during the same period of 1958.

If we add the figures for this same 10-month period ending in October 1958, namely 81,000 and 12,000, in round figures we get a total of 93,000 houses, or perhaps of 94,000 in actual figures in metropolitan and major urban areas, while, for the same period, we have a total of only 46,000 houses—again in round figures—for all other territories, including towns of 5,000 people and over, also including farming and non-farming rural areas.

Mr. Speaker, those figures show that twice as many houses are built in a limited number of cities or larger centres than in all the rest of the country. This constitutes a very important problem. A moment ago the hon. member for Nipissing (Mr. Garland) raised a very important point: why is it that money lending institutions, private lenders, insurance companies, trust companies and banks do not lend money for housing purposes in rural areas in smaller centres and even in centres

of 5,000 people and over? I think the reason is that municipal assessment in cities and towns is too low and that lending institutions, as well as private lenders, do not lend money because the municipal assessment of houses in those centres is not based on a real assessment or on actual value. I submit that this point deserves consideration and I think that in those cases, especially where private lenders and lending institutions do not want to lend, the C.M.H.C. should take care of those who want to build houses for themselves in those towns.

It is obvious that from a municipal point of view—those things happen quite frequently—a piece of land may be assessed at \$100 when in fact it is worth \$600 or \$700. The same goes for house assessment. In fact, it may be that a house built in a small municipality worth \$8,000 to \$9,000 is assessed at \$1,000, \$1,200 or \$1,500.

This raises a problem for the C.M.H.C. I therefore feel it my duty to point out—because in most areas of the country, and I am not referring only to the province of Quebec—that country people are the ones who find it hardest to secure housing loans.

Those were, Mr. Speaker, the few remarks I wished to make in connection with this bill.

I repeat that the Minister of Public Works should be commended for the solicitude he has shown towards all Canadians who wish to build homes of their own under this bill, in using the money which parliament has put at the disposal of the C.M.H.C. In addition to providing jobs, this legislation will help people build homes of their own. And that is what had to be done in the circumstances. We, on this side of the house, who have introduced this housing program, will gladly support this measure both in principle and in practice.

(Text):

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Rea in the Chair.

On clause 1—*Sale of loan.*

Mr. Green: Mr. Chairman, the speeches made by the hon. member for Nipissing and the hon. member for Megantic have been very helpful. We shall certainly keep their suggestions in mind. The latter hon. member mentioned that the banks and the lending institutions had been diminishing the amounts