

Veterans will also be required to state in detail the building materials required for their home and priorities assistance will be extended only for the minimum quantities required to complete a reasonable type and size of house. Details concerning these new procedures are now available from offices of the priorities branch located at Vancouver, Winnipeg, Toronto, Montreal and Ottawa.

Priorities assistance extended to veterans will continue to be governed by priorities officer's order No. P.O. 11B, which order channels building materials from the actual producer, down through the various distributional levels, to the veteran's home.

It should be emphasized that the procedures I have outlined have to do only with individual veterans building single houses for their own occupancy under other than the small holdings plan of the Veterans Land Act. Priorities assistance for the construction of groups of veterans' houses will continue to be available in accordance with procedures established by Central Mortgage and Housing Corporation.

Mr. FRASER: Would it be possible for the veterans affairs officers in the different districts to have a supply of these application forms for full priorities assistance? It is pretty hard for veterans living a long distance away to get them.

Mr. HOWE: Any organization and any individual may obtain forms from the priorities offices.

Mr. FRASER: Thank you very much.

#### REGULATIONS WITH RESPECT TO OCCUPANCY OF DWELLING BY OWNER

On the orders of the day:

Hon. W. EARL ROWE (Dufferin-Simcoe): Mr. Speaker, I should like to ask a question of the Minister of Finance, copy of which I have forwarded to him. Will the minister advise the house if any changes are contemplated in the near future to ease rental regulations so as to permit home owners to gain occupancy of their homes in instances where they are suffering hardship under the present regulations?

Hon. DOUGLAS ABBOTT (Minister of Finance): As I said in the house a week or so ago, the whole question of rental regulations is under serious study by myself and officials of the wartime prices and trade board. I am not yet in a position to make any statement as to what changes if any can be made in the regulations.

#### CANCELLATION OF BUILDING PROJECTS BY HOUSING ENTERPRISES LIMITED

On the orders of the day:

Mr. DAVID A. CROLL (Spadina): Mr. Speaker, I should like to ask a question of the Minister of Reconstruction and Supply. The press carried reports this morning that because of the high cost of labour and materials Housing Enterprises of Canada Limited has cancelled Greater Toronto building projects which would have housed about 200 veterans' families. My questions are these: First, is the government in any way a party to this decision, and, second, will this reduce the government's objective of 80,000 houses this year?

Right Hon. C. D. HOWE (Minister of Reconstruction and Supply): Mr. Speaker, the short answer to both questions is, no. However, having in mind the public interest in this matter, I feel that perhaps I should make a statement outlining the relationship between Housing Enterprises Limited and the government.

In the summer of 1945 conversations took place between all life insurance companies operating in Canada and the government. It was realized that there was a great need for rental housing. The government explored with the life insurance companies ways and means whereby they might enter this field. The National Housing Act provided for direct investment by the companies under section 11. The companies felt that in view of current conditions they did not care to operate individually under section 11. By a combination of sections 9 and 11 of the National Housing Act, together with subsequent amendment to the act, the life insurance companies formed a wholly owned holding company called Housing Enterprises Limited.

The life insurance companies undertook to construct rental housing for veterans through the agency of Housing Enterprises. The financial arrangement was that a 90 per cent loan for 50 years at 3 per cent was made under the terms of the National Housing Act, and Housing Enterprises invested life insurance company funds for the remaining 10 per cent. Rentals were to be established so that the life insurance companies might earn a limited dividend of 5 per cent on their share, and the government guaranteed that they would receive at least 2½ per cent on money so invested.

By September, 1945, Housing Enterprises had formed an organization. By early 1946 some land had been assembled upon which to erect projects. The 1946 programme of Housing Enterprises amounted to 3,276 units, most of which are at present under construction.