

provisions as was the case for the 1937 Act, for the simple reason that the chartered banks, without any Government guarantee are from day to day making many of the loans contemplated by Part IV of the Act.

Summary

My excuse for the length and type of this speech is that this is the first opportunity that I've had to address your gathering and there were some things of mutual concern which I wished to say. I ask the special indulgence of the ladies who are here tonight. I feel though that in the final analysis it is they who have the keenest interest of all in our housing problems.

The policy of the Government is to press forward with an increased supply of new housing by measures which seem to be prudent, reasonable and which fit into the conception of the majority of Canadians as the role which Government should play in an undertaking which has been and should remain essentially one for private enterprise..

Two years ago we introduced our now well-known Section 35, which provided for traditional public housing involving rental subsidies to families whose income was so low that economic rentals could not be paid by them. I bring to your attention that this measure was brought forward only on the basis of participation with Provincial Governments. The Federal Government feels that Provincial Governments, and their emanation the municipalities, have the best knowledge of what is needed for each municipality. Our operations in the public-housing field only go forward when the province and municipality make proposals to us. But, as I said before, the legislation is there and we are quite prepared to have it used.

Subject only to the public-housing section and to the slum clearance grants, the National Housing Act provides assistance and stimulus rather than subsidy to the development of housing in Canada. The National Housing Act is designed to provide important encouragement and stimulus by the Federal Government, but at the same time it is designed so that the Federal Government, through its agency Central Mortgage and Housing Corporation, shall remain in a secondary rather than a primary position. I am sure that many Canadians will find this policy very much to their liking. It seems to me that there are many and practical dangers to be encountered if the Government were to become the landlord of large numbers of Canadians. It's for this reason that under the public housing section of the Act, provision is made for the appointment of local housing-authorities to manage each project in respect to the many problems which will arise in the allocation of units to tenants and the collection of rents.

What I have just outlined is the general policy. But the Federal Government has not hesitated and will not hesitate in the future to step into the field of private financing when this becomes necessary to stimulate the production of housing. May I say here that, by and large, I have no criticism of the lending institutions who are the big operators in this field. They have done a good job and will I am sure continue to make a real contribution toward the solution of the problem.

But...a case in point has occurred within the last six months. When the lending institutions, with