

National Housing Act

Mr. Winters: In Regent Park North, which is the one developed so far, the end value assigned to the cleared land was \$1. I have forgotten for the moment just what the arrangement was in Newfoundland. I am not sure I fully understood just what the hon. member is seeking to find out.

Mr. Ellis: A few moments ago the minister suggested that municipalities would be in a stronger position as a result of this change in that the blighted area, when it is cleared of buildings and made available for sale for perhaps commercial or industrial purposes, is going to yield a sufficiently high price that the municipality is going to benefit, and I presume the government will benefit to the extent that under some circumstances it is not making any grant at all to the project.

Mr. Winters: I am still not quite clear. Perhaps the hon. member and I could have a private chat about this. Normally when the land is redeveloped its value is higher, as in the case of Little Mountain, where the property as it stands now is much more valuable than before the housing project was built.

Mr. Ellis: That is the information I wanted. I wanted to know whether the minister could give some specific information. He has made some generalizations, but I would like to know if he has something specific.

Mr. Winters: I have no specific figures of land values before me.

Clause agreed to.

Clause 8 agreed to.

On clause 9—*No liability after loans aggregate \$200,000,000.*

Mr. Fleming: In clause 9 we have another of those clauses in which the amounts provided for in the existing act are being increased. This time the aggregate amount provided by section 26 for guaranteed home improvement loans and guaranteed home extension loans is being increased from \$125 million to \$200 million. I wonder whether the minister could give the committee the figures upon which this increase has been calculated?

Mr. Winters: Under this section so far we have insured over \$30 million of loans. I expect that with the higher level of loan we are going to make possible, if parliament approves this bill, the rate of home improvement loans will run considerably higher, and we estimate that the ceiling here would be reached at about the same time as the ceiling for insured loans, which we discussed a few moments ago.

*Mr. Ellis.]

Mr. Fleming: I do not wish to repeat what I said on the earlier clause. The significance of the minister's answer is that the amount now proposed, namely \$200 million, will provide all the requirements of the Central Mortgage and Housing Corporation in this respect until the year 1960, in other words four years in advance. I think that is too long a period for parliament to be making provisions of this kind in advance. I believe we shall maintain parliamentary control much more effectively with a shorter period than the one contemplated. A period of four years is too long in provisions of this kind. I think it is altogether desirable that there should be more frequent parliamentary review in regard to such financial provisions. The minister was not prepared to accept my suggestion in discussion of the earlier clause, and I take it he is no more amenable to persuasion on this one, seeing that the dates contemplated in both sections are approximately the same, but I wish to repeat what I said in the interests of strict parliamentary control.

Clause agreed to.

Clause 10 agreed to.

On clause 11—*Limitation.*

Mr. Fleming: In clause 11 we have a provision extending the time within which proceedings may be instituted for an offence. Whereas under the present section the limitation period is six months, under the new clause it will be three years. I should like to ask the minister what experience has given rise to this proposal.

Mr. Winters: There have been experiences where, in connection with false statements made in obtaining a loan, six months has proved too short a period to allow the bank to catch up with the statements. It seemed to the corporation that in the interests of good administration we needed a longer period than six months to overtake the fraudulent efforts that occur from time to time. Six months is a rather short period, as the hon. member well knows, and in the several instances when it needed to be applied it has proved too short.

Mr. Fleming: I can follow the minister on that, but he has not told us why it needs to be three years. In the particular case to which he refers, within what period was discovery made of the alleged fraud?

Mr. Winters: The official of the corporation informs me that three years is the period they consider necessary in the light of the experience they have had, and also in the light of the longer risk period that we are providing for in the bill before us now.