

*National Housing Act*

citizen housing I ask the minister to take another look at section 16, and particularly at the amount of the mortgage that is available for this type of housing. Under the bill before us the minister is proposing that we raise to 90 per cent the percentage of money available for mortgages in certain other cases where in previous years it has been lower. So far as section 16 is concerned it was 90 per cent in 1954.

**Mr. Nicholson:** I am sure the hon. member would like to know that the recommendation is to remove the inequity that now exists and bring up the level to 90 per cent.

**Mr. Knowles:** The point I am trying to make to the minister is that there is a case for preferential treatment of senior citizen housing. Even when we bring the other levels up to 90 per cent, I believe the minister should go one step further in respect of senior citizen housing or any other kind of housing which falls within section 16 and involves limited dividend corporations.

As I have already indicated, I support the various points of view presented by my colleagues, but for the sake of brevity and for the sake of pinpointing one particular need in this legislation I have confined my remarks on this occasion to the need, in my view, to amend section 16 of the act along the lines I have suggested.

● (9:20 p.m.)

[Translation]

**Mr. Henri Latulippe (Compton-Frontenac):** Mr. Speaker, I should like to take a few minutes to talk about the National Housing Act.

This legislation has been and is of great service to the population, but we can say that it is still not perfect; there is much room for improvement. But the minister advocates certain improvements which cannot but do a little good within the population and which will enable different individuals or different families to get adequate shelter, perhaps at low cost.

Now, Mr. Speaker, if families are really to pursue their objective, if they are really to develop naturally as they must, in a country, they need shelters to live in, they need appropriate lodging where they can fulfill themselves, where they can recuperate, resume their family activities and reorganize their lives. That can only be done in a decent home, owned by the family rather than by various organizations within a society.

23033—628½

The N.H.A. has made great achievements possible up to now. Numerous houses have been built and many cities have benefited by the provisions of that act. But the greatest advantages have been enjoyed by those who finance housing, by those who handle or meddle with financing to start those housing projects. We have not built houses for the sole purpose of housing families, of helping families, of enabling them to live decently, but mainly with a view to enable finance companies to double their capital in the space of 12 or 13 years.

Those are the disadvantages of the act, Mr. Speaker, and that is why it is improper in a country like Canada, where people are poor and need houses, to allow financiers or capitalists to double their capital. On the other hand, it would equally be intolerable for the state to make money or to lend money at prohibitive rates of interest.

Mr. Speaker, there has been some talk for many years of building low cost houses, but low cost at present means \$15,000, \$18,000, \$20,000 or \$25,000. That is what is meant by low cost housing.

Under the prevailing interest rates, the capital must be doubled in 13 or 14 years, only in interests, and it is also a known fact that municipal and school taxes are almost as high as interest rates, so that within 15 years, a citizen pays his house twice: once in taxes and once in interests. And the house is still not paid.

Therefore, in order to become the owner of his home, a citizen must be able to keep up with the payments. Such things are inconsistent in a country like Canada.

Mr. Speaker, a shortage of building materials is inconceivable in Canada. Building materials are plentiful, as well as places or land to build houses. None of that is lacking in Canada. Neither is there a shortage of engineers or carpenters to build those houses. We have all that is required to build houses, and the first thing to do in a country abounding in wealth, which has everything that is needed to build houses at reasonable cost, is to build suitable family quarters. Nothing in the world can give a family more comfort than decent lodging.

The minister mentioned that we have built thousands of houses, across Canada, but he is well aware that several of those houses are being sold for taxes or because citizens are unable to pay interest fees. Then, those people are forced to turn over their houses to the state and to go and live in slums.