

Supply—National Revenue

the minister spoke of land assembly projects which come under the control of the Central Mortgage and Housing Corporation. I asked the minister several questions at that time and I do not feel I received satisfactory answers to them.

The first question I had in mind is this: Why should land assemblies be set up in direct competition with private developers who are obliged to pay taxes on the property while holding it? I refer to the agreement which was signed with the city of Peterborough. It provides that no municipal tax rate or charge of any nature whatsoever shall be levied by the city while the lots are owned by or on behalf of the corporation. In 1952 the city turned over to the corporation 660 acres of land to develop. Since that day the city has received no tax revenue whatsoever from this property, so in effect the city has been asked to make a direct subsidy. No private developer has ever had such a concession made to him. I consider that the city of Peterborough has lost thousands of dollars in tax revenue over the past 12 years. This arrangement was set up in 1952 but there was no development in the area until 1957. If the present government intends to carry on with land assembly projects it should be asked to share in the cost of trunk services such as sewers, water mains and storm drains and also to bear some of the cost of providing main streets and thoroughfares. It should also be asked to pay its fair share of municipal taxes. All private developers in cities today are required to do this.

Another point I should like to bring out is this: If a city does not wish to carry on a scheme of this type and the property involved has not been developed after 10 or 15 years, the land should revert to the municipality and any moneys owing to Central Mortgage and Housing Corporation should be paid by the municipality. Why should the corporation be allowed to put its property on the market to the highest bidder and keep the money for the government of Canada, when the corporation has made no investment in it and taken no risk? The only party which has been stuck for an investment is the city itself.

I feel that the Central Mortgage and Housing Corporation should be careful where they set up land assembly projects. I do not feel they should come into an area, as they did in Peterborough, and sell the municipality a project which is not likely to be completed for 10, 15 or 20 years. This is exactly what

was done in my constituency. I feel the project was too big for the area. It is well planned and it is a subdivision of which any city could be proud. On the other hand it has cost the city many thousands of dollars and I do not think it has cost this government or the provincial government anything. Right now the Peterborough land assembly is short of building lots and the corporation points the finger at the city, blaming the city for not keeping lots available. I know that if the city had received more financial assistance from the corporation it would have been in a better position to keep the lots coming forward.

I should like to ask the minister whether he does not feel projects of this type should share in the cost of the municipal services I mentioned earlier and also whether he does not agree that a municipality wishing to withdraw from such a project should be able to do so without the balance of the property reverting to the corporation, which would then make a substantial gain. I should also like to ask the minister whether he does not believe that land assemblies should be kept for public housing and for the construction of houses for older people and for people with small pensions.

There is one other point I would like to raise before resuming my seat. I think this matter was mentioned by the hon. member for Yukon, but I wish to raise it specifically. It refers to Indians. I believe they should have money available from Central Mortgage and Housing to build on the reserves. I would refer to a young constituent of mine, 25 years old, who came to the city of Peterborough, educated himself and now has a job in the city. He is married and wants to build a house for himself on the Indian reserve, under the provisions of the National Housing Act, and commute to Peterborough. He made application under N.H.A. to build a home on the property owned by him on the reserve, but was refused. I would like to ask the minister if there is not some legislation which would permit those living on Indian reserves to obtain such a loan. This is one way in which we could improve living conditions on reserves. I think the minister and his department should consider these suggestions and look into the possibility of making these loans available to deserving Indians.

Mr. Prittie: Mr. Chairman, the minister has heard from the cities of Vancouver and Port Moody and now he will hear from Richmond. I do not wish to lay any charges against Central Mortgage and Housing or