

Over the years the Government has given special recognition to such undertakings, not only by offering a higher level of loan than would ordinarily be the case, but by making these funds available at below-market interest rates with a repayment period of 50 years.

The new measures we would like to see adopted would increase the loan level further to 95 per cent of the value from the present 90 per cent. They would also widen eligibility for assistance to allow sponsorship by any organization, corporation, or private individual.

The rentals of units brought onto the market under such auspices would have to reflect the preferential financial support provided under the new legislation as well as the sponsor's own efforts to hold costs down. In fact, the determining consideration in establishing eligibility for assistance of this nature would be the rentals to be charged. These would be subject to agreement between the sponsor and C.M.H.C., and they would have to fall well below the charges for similar accommodation resulting from normal lending activities.

In these new circumstances, the amendments would eliminate the present requirement that a limited-dividend company's profits can be no more than 5 per cent. They would, in addition, remove the existing restriction that allows hostel or dormitory accommodation only in developments sponsored by non-profit corporations.

In order to give full effectiveness to all these new measures I have described, and to support other relevant sections of the act, new statutory votes and limitations are required. These are provided for in the amendments, and we believe the proposed new limits will sustain operations under the National Housing Act until 1971.

There are, of course, other and important aspects of the total housing scene I have not touched on to this point, some of them vital to the continuing success of our national housing programs. Among the most pressing are public housing, urban renewal and the existing serious deficiency of serviced land which is restricting housing efforts in too many of our cities.

Personally, I was very heartened by the statement made by the minister in the other chamber that the Government has resumed full participation in public housing operations. I appreciate, as I am sure all honourable senators do, that improvements are possi-

ble and most desirable in our present approaches to this form of housing. And I agree that these should be discussed and developed in co-operation with provincial authorities at the earliest opportunity. But to my mind, in view of the urgency of need for such accommodation right at the moment, we cannot afford to relax current efforts while awaiting the outcome of such an appraisal of new and better public housing methods.

The situation in regard to urban renewal, however, necessitates immediate change. No one doubts the major benefits derived from these activities and all of us are anxious to see these programs of civic improvement pushed forward as expeditiously as possible. But there is evidence that present urban renewal techniques are, to some extent, working at cross-purposes with our more urgent task of providing good housing for all Canadians, irrespective of income. Part of the reason is a shortcoming in our current housing legislation which does not allow federal financial support for the acquisition and rehabilitation of existing housing as an essential function in urban renewal. Rather, our aid has been restricted to acquisition and clearance and, as a consequence, housing which could be improved to serve many additional years of useful purpose falls prey to the bulldozer instead.

This deficiency would be rectified by the present bill, which calls for the authorization of contributions to provinces and municipalities equal to 50 per cent of the cost entailed in purchasing structurally-sound dwellings in renewal areas and restoring them to desirable standards.

The final proposed amendment to which I should like to make specific reference is, to me, one of the most significant. It indicates the real desire of the federal Government to help the provinces and their municipalities come to grips as never before with the problem of providing serviced land for housing.

For years we have offered our assistance for land assembly through joint federal-provincial arrangements under which we assumed 75 per cent of the costs involved. Numerous projects have been carried out in this fashion in all parts of Canada, but the volume of lots produced bears no relationship to our present and expanding needs.

Now, it is our intention to supplement the joint-sponsorship arrangement with the alternative of a high-ratio loan plan. Some provinces have already indicated their keen interest and it is our hope this interest will be