

*National Housing Act*

facts of the financial history of this nation? Take the report of the royal commission on banking and currency in Canada, published in 1933, and read the first 25 pages. You will find there is no answer to what I am saying.

**The Chairman:** Order. May I remind the hon. member that we are discussing a resolution on housing.

**Mr. Blackmore:** I think this is pertinent to the resolution on housing. Surely finance is one of the important aspects of any resolution on housing. Is it not time we began to learn something—

**Mr. Winters:** On a point of order, the Bank Act will be before the house later on, and the hon. member will then have ample opportunity to discuss all such policies. I am sure that at that time the Minister of Finance will be more than delighted to answer him.

**Mr. Blackmore:** If the Minister of Finance is as courageous before Social Crediters as he has been in the last few years in committee, we, and Canadians generally, have not much to hope for. But let us not forget that Canadian financial history, right up to 1934—

**The Chairman:** I am sorry, but I shall have to interrupt the hon. member once again. We are approaching the Christmas recess and are discussing a resolution on housing, and I would ask the hon. member kindly to limit his remarks so they will be directly related to housing.

**Mr. Blackmore:** Mr. Chairman, I shall be delighted to do so. I have said all I wanted to say, and all that is necessary to say at this time. But I would urge hon. members to look back to the history of Canada's financial structure right up to 1934 when the Bank of Canada was established, and—

**The Chairman:** Order. I hope I shall not have to rise again, because the hon. member is entirely out of order in his remarks.

**Mr. Fleming:** I have two or three questions to ask the minister, and I shall do it swiftly and ask them together. Will the minister tell us what is the expected extent of participation on the part of banks under the new scheme? Also will he tell us what is the anticipated augmentation from that source of mortgage funds, and how it may be expected that that augmentation will be made available for distribution in smaller communities.

**Mr. Winters:** Mr. Chairman, it is difficult to answer those questions in detail. We do not know, for instance, to what extent the lending institutions will divert money they formerly put into conventional loans into the

lending operations under the insured mortgage technique. We would hope, however, that this would result in a great increase in the flow of mortgage money under the National Housing Act.

With respect to the last part of the question, perhaps it can be answered more specifically than the other parts. I understand there are about 4,000 branches of the chartered banks in Canada. Each branch will now become a lending institution. That in itself will increase the number of lending agencies under the National Housing Act from some 150 odd, as there are at the present time—that is, branches of authorized lending institutions—to over 4,000.

**Mr. Fleming:** I take it there will be no change in the operation of the present section 35 of the act?

**Mr. Winters:** That is right.

**Mr. Fleming:** Has there been any change in the basis of valuation for lending purposes?

**Mr. Winters:** No, Mr. Chairman, there is to be no change in that basis.

**Mr. Macdonnell:** I have one question. In view of the fact that, as I understand it, this bill will have the effect of making very important alterations in our banking practice, will the committee be able to have available for its deliberations—I am referring to the banking and commerce committee—experts on banking?

**Mr. Winters:** So far as I am concerned the committee will be the master of its own destiny.

**Mr. Knowles:** Do I understand from the terms of the resolution, and from what the minister has said, that when the bill is introduced it will constitute a new housing act in its entirety?

**Mr. Winters:** Yes.

**Mr. Knowles:** And that it will replace the old one?

**Mr. Winters:** That is right. All the sections of the housing act will be embodied in this new bill.

**Mr. Blackmore:** In the light of what I have already said I wish to register a most emphatic protest against the interest being charged in connection with the building of houses, and against the burden of debt being placed against all those who are endeavouring to build houses in Canada. And that protest stands.

Resolution reported, read the second time and concurred in.