

Supply—Public Works

on parcels totalling \$12,500,000. There was only \$2,500,000 worth of parcels where there was no bid. There is a big market for this sort of thing.

Mr. Regier: I thank the minister for his correction and he is absolutely right. These deals were offered in packages of half a million dollars each and half a million times five is only \$2,500,000. However, be that as it may, I do not believe the minister will deny the fact that there was offered on the money market of Canada \$2,500,000 worth of paper which had the guarantee of the federal government as to repayment of basic principal and also interest at the rate of 6½ per cent and not one single offer was received. I think this underlines our old contention that the day has arrived when the federal government must assume some responsibility for what happens to available investment capital in our nation. When these people are going—

Mr. Chambers: On a point of order, Mr. Chairman, I would suggest that we are now dealing with the Central Mortgage and Housing Corporation. The criticisms the hon. member is making are of the financial community of Canada and might more properly be made in the budget debate which we will be having very shortly. They do not apply directly to Central Mortgage and Housing Corporation.

Mr. Regier: Mr. Chairman, if I may speak to the point of order, I believe it was agreed we would discuss this item under this particular vote. I should like to appeal to the parliamentary secretary to abide by an earlier decision of the committee in this regard. I have just about concluded my remarks in any event.

I do feel that the government of Canada ought to consider the implications of this event. I say this in all seriousness. I do not even suggest that the financial community of Canada has lost confidence in the government of Canada. I mention it only as a possibility. However, if these people are determined that they are going to sit back—and as the report of the governor of the Bank of Canada which was released on Monday last indicates very clearly, there is a quantity of available investment money in Canada—holding out for higher profits or a higher interest rate than 6½ per cent, I think it is up to the government of the day to tell these people that they will either react in a responsible manner in the national interest or the government will have to move in, assume responsibility and determine the direction of the flow of available capital, and will

also have something to say about the level of earnings that available capital ought to receive.

Mr. Beech: Mr. Chairman, I want to take this opportunity of commending the minister and Central Mortgage and Housing Corporation for the splendid job they are doing in the field of housing. I also express my personal appreciation for the very great consideration that has been given to the problems I have placed before them.

The question I wish to ask the minister arises from a letter addressed to him by the metropolitan Toronto housing authority in relation to the possibility of securing a fixed rate of interest for projects built by municipalities or non-profit companies for housing elderly persons.

This is an annual appeal which I have made for the last four years. I am hoping the minister will give this request serious consideration, because it does help these people in planning these projects. It takes one to two years to plan these projects, and after the planning is all completed the interest rate is raised and they have to start all over again. I would ask the minister to give serious consideration to arranging a fixed rate of interest on these projects, the same as is available at the present time under the Veterans' Land Act, farmers loan legislation and other acts.

Mr. Garland: Mr. Chairman, I wonder whether the minister is in a position to comment on the urban military housing development that I mentioned.

Mr. Walker: Yes, Mr. Chairman. The North Bay military housing project will probably be built on several individual sites. One site, for 200 units, has already been optioned and planning has started. Other sites are now being looked at. The total housing requirement is 575 units.

In answer to the other question asked by the hon. member for Nipissing, the mortgage insurance fund as of May 31, 1961, amounted to \$82,113,390, against loans in excess of \$4 billion.

Mr. Garland: I wonder whether the minister, with the aid of his officials, is in a position to indicate when tenders are likely to be called for this housing development at North Bay.

Mr. Walker: It will be the fall of this year. We cannot ascertain the exact month at this time.

Mr. Howard: Mr. Chairman, there is one aspect of housing in which I have a particular interest. I should like to make a brief