

Gold Mining Industry

full benefits accruing from the adjustment in the exchange value of the Canadian dollar, but that the payments from the public funds will be reduced, in the case of mines that are eligible for assistance under the act, by the sum of \$3.50 or any lesser amount to which they would be entitled on each ounce that would otherwise have been subject to the assistance payments. The effect of the modification in the terms of the act will, it is estimated, mean a reduction in payments during the course of the year 1950 of approximately \$4,500,000. This compares with a total payment during 1948 of \$9 million and a probable payment during 1949 of \$10 million.

At the same time it will be noted that the probable additional payments to the gold mines coming under the Emergency Gold Mining Assistance Act as a result of the adjustment in the exchange value of the dollar will amount in 1949 to about \$3 million, and in 1950 to approximately a further \$12 million.

It should be made quite clear that it is the intention of the government to terminate the assistance given under the Emergency Gold Mining Assistance Act on the date stated in the act, namely December 31, 1950.

It was announced in the last session of the twentieth parliament that the government proposed to introduce legislation to amend the Emergency Gold Mining Assistance Act for the purpose of aiding certain mines which, through no fault of their own, had been ineligible under the original terms of the act. In the speech from the throne at the opening of the present session the government's intention in this regard was reiterated. I wish now to make it quite clear that the government's policy in this connection has not been altered, and that it is proposed to proceed during the present session with the amendments which have been designed to effect this purpose.

HOUSING

**ASSISTANCE TO HOME OWNERS AND BUYERS—
AGREEMENTS WITH PROVINCES FOR PUBLICLY
SPONSORED PROJECTS**

Hon. Robert H. Winters (Minister of Reconstruction and Supply): Mr. Speaker, hon. members might be interested in learning of the government's intention with respect to housing.

It is now over four years since the war ended. Some problems which were emphasized and aggravated by wartime conditions have continued into the post-war period. Housing is one of them, and it gives promise of being a long-term peacetime problem. Therefore any approach to the problem of

[Mr. Gibson (Hamilton West).]

housing should be based on peacetime conditions. Although constitutionally housing is primarily a matter for the provinces and municipalities, the federal government believes that any effective solution must involve the fullest co-operation among all levels of government, as well as industry.

Accordingly, on March 2, 1949, the Prime Minister (Mr. St. Laurent) wrote all provincial premiers, stating that any suggestions or proposals they might care to submit for improving the housing of Canadian citizens would be considered by the federal government. At that time almost all provincial governments were involved with their legislative programs and were not able to give to the problem detailed attention, although most of them expressed concern and keen interest.

To facilitate consideration of the problem we recently undertook to view housing conditions, as well as building activity in each province, and have had conversations with each provincial government about housing. From our discussions it was clear that the provinces recognized their constitutional and practical responsibilities in this field, but the majority indicated that financial assistance would be required from the federal government.

This year's housing production will be higher than ever before. It is likely to reach a record high of approximately 100,000 units in 1949. This large number of units has been spread over all the provinces, but provincial governments nevertheless agree with us that having regard to the high level of economic activity, increase in population, rapid growth of family formations, immigration, obsolescence of existing housing units, and other factors, there will be a continuing need for a large annual supply of residential units. New housing, even at the present record rate of production, is barely keeping up with current needs and making no important inroads into the backlog.

The joint efforts of industry and the three levels of government—municipal, provincial and federal—in their respective fields will be required to produce a large supply of new units. I believe all provinces agreed with us that it is the desire of the average Canadian to own his own home and that the primary and most economical source of new housing had been and would be from private endeavour. Therefore any arrangements between the two senior governments should be directed toward the encouragement of more home ownership and also of rental housing by individual effort.

The increasing difficulty for the prospective home owner of low or moderate income to finance down-payment requirements in build-