

*National Housing Act*

which shelters the majority of our population is an important part of our national wealth. Unfortunately it is a form of wealth which does not improve with age and use. The stock of housing must inevitably decline in physical condition and usefulness unless there are effective measures of conservation and unless steps are taken to replace what is obsolete in our housing inventory. The last census showed that in our major cities alone there are as many as 100,000 housing units which are in a serious state of disrepair and which lack reasonable sanitary arrangements for healthy living. The residential districts of every city are in a process of decline. In most cities there are areas where deterioration has reached a condition that can only be rectified by complete redevelopment.

For the conservation and rehabilitation of housing, home improvement loans are available so that individual houses may be kept up to date and adapted to new uses. Where more drastic measures are required there are provisions in the National Housing Act to aid cities in the redevelopment of blighted districts. Since the legislation of 1944, grants have been offered to municipalities which acquire and clear substandard areas. To rehouse families living in those areas, loans have been available to limited dividend corporations and the federal government has been ready to go into partnership with provincial governments to build low rental housing.

The bill now before you is largely concerned with the redevelopment and conservation provisions of our legislation. The amendments to the act are designed further to encourage redevelopment and to give more strength to the renewal of the older parts of our cities, both through public action and through private enterprise.

The initial difficulty in the redevelopment of blighted areas is, of course, the high cost of land. In any city the oldest and poorest housing is mostly to be found close to the city's commercial and industrial centre where land has acquired a relatively high value. To meet this difficulty the present legislation provides that the federal government may make grants to municipalities up to 50 per cent of the estimated costs of acquisition and clearance, after taking into account any payment to be received in the disposal of the land. At present these grants are available only when the cleared land is to be used for a public purpose or for housing, either through sale to a limited dividend corporation or a life insurance company, or through the transfer of the land to a federal-provincial partnership. It is through these

arrangements that the city of Toronto undertook the acquisition and clearance of land for the Regent Park North project, and now proposes to acquire land for the Regent Park South project where housing may be built by federal-provincial partnership. Also St. John's, Newfoundland, has undertaken a project of slum clearance and rehousing under the act.

The simplest and most direct action in redevelopment is to clear an area of poor housing and to build new low rental housing on the same site. No doubt there are many places where this would be quite appropriate. However, there may be more appropriate uses for these sites. In some cases the process of blight has in fact occurred because commerce and industry have already invaded a residential area or because the neighbourhood has been disturbed by the heavy flow of traffic in and out of the central district. In these instances the land might properly be devoted to commercial or industrial purposes and perhaps some part of the land could be used to aid in the solution of the city's traffic problems. If the cleared land can be replanned and sold at a reasonable price for such purposes, the present residents might be rehoused elsewhere, both more economically and in a more suitable location. We cannot assume that expensive central area land is always the most logical place to house low income families. The use of such high cost land may make it necessary to house families at a high density or without adequate open space.

On the other hand, the reverse situation may occur. There may be occasion to convert non-residential land to housing purposes. Some cities have blighted areas of underdeveloped land of miscellaneous uses, including but a small proportion of housing. The location of such land might make it eminently suitable for housing purposes.

It is proposed to amend the act in recognition that urban redevelopment should be part of the continuous process of growth and change in urban land. Cities do not grow only by additions at their outer margins; central areas must also grow in their internal proportions and land uses. This view of urban redevelopment, as a vital part of a community's growth and regrowth, has led us to the conclusion that private enterprise might in some instances appropriately join with governments in bringing new life into the older and blighted areas of our cities, helping to restore them to a sound, productive place in a city's economy. We propose, therefore, that the federal government's aid to municipalities should not be applied exclusively to the redevelopment of sites for low rental and moderate rental housing.