

\$24 million. About 7,200 family units were built, some in new buildings, some in used dwellings. Some 1,978 families have benefited by what has been done by the Ontario Housing Corporation in 1966. The federal portion of this program has been a loan covering 90 per cent of the capital cost.

Honourable senators, I think it fair to say that Ontario has done more in this field in two years than any other province in Canada has done in ten years. Much more remains to be done.

The Province of British Columbia has another scheme for subsidized rental accommodation. They prefer the scheme in which the federal contribution is 75 per cent by way of loan and the province and the municipalities contribute 25 per cent.

Under Section 35A of the act, covering the establishment of rental housing accommodation in British Columbia, 974 units have been completed in Vancouver and 376 more units are under construction. In Prince Rupert some 50 units have been completed, making a total of 1,400. That is a record which is commendable and which speaks for itself.

At Inuvik in the Northwest Territories, in August 1966, a hostel type of accommodation was established for which the federal contribution was \$350,000 and in which 54 units were provided for the Eskimo people. The administration of that establishment has been vested by the Northwest Territories Council in the Y.M.C.A.

I should add that in all of these projects in which there is federal and provincial co-operation—and there have been a great many—the federal authority has agreed to pay 50 per cent of the operating losses which are incurred in these projects. Progress has been made, obviously.

Hon. Mr. Isnor: What does "operating cost" mean? Is it administration costs, and so on?

Hon. Mr. Connolly (Ottawa West): It is operating losses. I did not mean costs. Any losses incurred as a result of the operation of these projects are shared on a 50-50 basis so far as the federal Government is concerned. We will pay 50 per cent of whatever losses might be incurred. I think I am safe in saying that so far there have been no losses. These houses are self-sustaining; the rentals are modest but they are adequate to carry the administration, the interest on the money, and the repayment of the principal.

Hon. Mr. Reid: What is the interest rate generally charged?

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Hon. Mr. Connolly (Ottawa West): I cannot answer that question but I shall get it and give it to the honourable gentleman later in the debate.

Great progress has been made in these fields. I have given some examples to illustrate that progress, but much more needs to be done.

As to the bill itself, it provides for loans to be made for the acquisition by individuals and others of existing housing units. It is thought that this provision will provide a benefit for low-income families who want to acquire and own their own homes. These loans will be insured under the National Housing Act. A portion of such loans, to be designated later by regulations, will have to be devoted to the improvement of the property in question. I should add that these improvements are not all improvements that have to be purchased by the person who acquires a house. His own labour and materials can be used for this purpose.

Hon. Mr. Hugessen: Will that be by regulation, or is it in the bill?

Hon. Mr. Connolly (Ottawa West): It is proposed that that should be done by regulations.

It is also proposed by this bill that the ratio of lending on rental construction, because of the success achieved in this field, shall now be raised from 85 per cent to 90 per cent of the value of the property to be developed. It is thought that the increase in this ratio of the amount of the loan to the total cost of the project will be beneficial in the larger centres but more particularly in the smaller centres.

The bill also provides that the pool of money for insured loans which has been made available to C.M.H.C. by Parliament from time to time, and which has been increased from year to year by various governments at various times and is now at \$8½ billion, should be increased now to 9½ billion. In other words, another \$1 billion will be made available for these purposes.

The pool of money for direct lending by C.M.H.C., which is a kind of application that is growing, probably because of the fact that the interest rate is lower than it is on the market, is now \$3¼ billion. It is proposed to increase this pool by \$750 million, and that Parliament authorize C.M.H.C. to lend to the extent of \$4 billion both for new and for existing housing.

Hon. Mr. Isnor: Does that open it up for the private investor?