

not care to take as a matter of business. That is the reason I would not wish the corporation to insure this type of property as long as I am the minister responsible.

Mr. MacNICOL: Did I understand the minister to say that \$5,000,000 had been lost in that kind of building?

Mr. HOWE: Two million dollars.

Mr. ROSS (St. Paul's): The minister said they had spent \$5,000,000 on conversion and would be lucky if they got back \$3,000,000. Is it not a fact that those conversions were done by the government and not by private individuals? It was a government proposition. This is a different proposition. If a man has a well-built house, and there are plenty of them in the city, it might prove useful. It seems to me that it is pretty radical on the minister's part to say that they will not take in any of these houses when there is evidence that there are many such houses in Toronto. I imagine the same thing would apply to Montreal. These houses are too large for people. As I told the minister, I know of many cases where such houses have been converted with good success, and I know of many other houses which could be converted under this bill.

I do not think there would be any more risk than there would be in other building, especially when it is a rental proposition. There is a demand for these units in many areas. It is a pity simply to say no, as the minister is doing. He knows the government was doing this before and it was on a cost-plus basis. No doubt about it they got stung in many cases. Then again it may be too soon to know what the final result will be, because this has been in operation for only three or four years.

Mr. NICHOLSON: The hon. member for Eglinton expressed the opinion that we need not worry too much about this section because it is not likely that many units will be built. I am inclined to agree with him.

Mr. FLEMING: At two per cent.

Mr. NICHOLSON: I do not think many units will be constructed because of the passage of this bill. I am sure the minister will be back next year wanting other changes made. I am not concerned about that, but I am arguing that this is bad legislation for the Canadian parliament to be passing. I suggest that at some time this party will be over on that side and I would prefer not to have a tradition of this sort established. The minister has indicated that the corporation might fix the return at two per cent or ten per cent or twenty per

cent. I do not think members of this house should delegate such important responsibility to any cabinet or any crown corporation, giving them the power to make a decision of that kind.

If there had not been so many interruptions yesterday I had planned to go into details as to how much a proposal such as I had in mind would cost if we do not have subsidized rental housing. The minister has suggested a target of 80,000 housing units for 1947 which has almost been reached. Prior to the last election, we argued that there should be 100,000 units built every year for ten years.

The DEPUTY CHAIRMAN: The hon. member will confine his remarks to the clause. It has nothing to do with subsidized housing.

Mr. NICHOLSON: If I could have your indulgence for a few minutes, Mr. Chairman, I was trying to compare the placing before parliament of a concrete proposal that would—

The DEPUTY CHAIRMAN: There was a long discussion on the second reading which dealt with the principle of the bill and the hon. member will now deal with the clause, not subsidized housing.

Mr. ROSS (St. Paul's): I agree with the hon. member for Eglinton and submit that this clause should be more specific. The hon. member for Mackenzie has just said that at some time his party may be over there. This is an insurance bill. It might be a thousand to one shot, but I should like to see the insurance there. I submit that this bill should be more specific.

Mr. FLEMING: We have asked the minister the significance of the provision as to rate, and he has indicated there is no ceiling on the rate which the corporation, with the approval of the governor in council, may offer by way of guarantee to builders. If that stands, then I for one cannot possibly support this section. Surely to goodness, we are not going to grant the government *carte blanche* in the matter of these guarantees? We have had it from the minister that it would be perfectly lawful under this section and quite within the powers that the government are reserving to boost these thirty-year guarantees to five, ten, fifteen, twenty or twenty-five per cent. In view of what the minister has said, surely this committee will not pass the legislation in this form. There is no ceiling on it at all; there is no maximum fixed. I suggest to the minister that some limit should be stipulated right in the bill.

Mr. NICHOLSON: I hope we shall get some support from the other side of the house to