

*Supply—Labour*

case where a contractor is building a home. Before he can obtain any money from C.M.H.C. he has to have the home 85 per cent completed. I know the minister will say this cannot be true. However, it is true. This contractor is building a home for a medical doctor in a town that has a population of 3,500. The home is perhaps a little better or more extravagant than the average citizen is able to afford. In any case, Mr. Chairman, the contractor told me he would have to have the home 85 per cent completed before he could obtain one cent from Central Mortgage and Housing Corporation.

I ask the minister to urge C.M.H.C. to get out of the rut they seem to be falling into and to pay particular attention to the contractor who builds, not 200 homes a year but 20 or perhaps only 10. The minister should remember that home building conditions are not the same in small areas. It might well be said that the small contractor has higher costs because he does not build a great many homes. Of course the more homes one builds, the cheaper it is to build them. But the direct reverse is also true, because in many of our cities land costs and servicing are higher.

● (8:30 p.m.)

The servicing costs, and by that I mean wiring, sewerage, street lighting and so on, are greater in the larger areas than in the smaller towns. Therefore while I readily accept the fact that a small contractor may need a proportionately greater amount of money to build 20 houses in a year than to build 200, there is not that much difference, and I would urge the C.M.H.C. in making its inspections to make special allowances for the small contractors building in rural areas.

I could cite 100 instances of such cases all across rural Canada. The C.M.H.C. money is not being made available in the smaller areas. Time and time again small contractors have said to me. We will build a house, but please do not make us build it under C.M.H.C. because we cannot get the money, the lumber yards are after us to pay them, and we cannot get anything out of C.M.H.C. I urge the Minister of National Revenue to ask the Minister of Labour to bring this to the particular attention of C.M.H.C. to redirect its thinking toward the rural areas of Canada. Rural Canada is a vast area which needs better homes. I do not think there is one hon. member in this house who would deny that fact.

[Mr. Horner (Acadia).]

It is all well and good for us to stand up in this chamber and say that we must carry out slum clearances in our cities. But what are we actually doing? Are we making a special effort to improve the living standard of people in the rural areas and the smaller towns all across Canada? I cannot honestly say we are. The C.M.H.C. is making no special effort to improve the slum conditions which exist in the rural areas and which are just as bad as those in the cities. This is why I say to the minister it is all well and good to talk about low cost developments in the cities. We in the rural areas are not specifically asking for low cost housing. We are asking the C.M.H.C. to redirect its thinking, as has been the case in 1958, 1959 and 1961, and to give the people living in rural Canada a chance to build their houses under the C.M.H.C.

One has only to look at housing starts in rural areas under C.M.H.C. to see that what I say is correct. The first housing starts in the farm areas carried out by the C.M.H.C. were made back in 1959 and 1961. Today this has dwindled to practically nothing. We must give equal treatment to all the citizens of Canada, whether they live in cities or in rural areas.

There has been much talk about paying special attention to slum clearances and low cost housing in cities. I urge the Minister of National Revenue to ask the Minister of Labour to redirect the thinking of the C.M.H.C. so as to give the citizens in rural Canada an opportunity to build houses and to improve their standard of living, as well as to give an equal opportunity to small contractors providing services in rural areas to that given the large contractor. There is a great disparity between the two. Housing inspections in cities are much less rigid. As one contractor told me, the big contractors building houses in cities under the C.M.H.C. can get away with much more because the inspections there are much less rigid and less stringent. We in rural Canada pay taxes to improve the slum areas in cities and to build what could be qualified as subsidized housing in cities, but no special consideration is given to those living in small towns or in farming communities. It seems to me that the C.M.H.C. has taken the line of least resistance, and we in rural Canada are not satisfied with this attitude.

**Mr. Benson:** Mr. Chairman, I should like to say that, as always, I have listened with great interest to the speech made by the hon. member for Acadia and I can assure him that I who came myself from a small town, have just