

the good point about these loans is that they have not been given for parks, driveways and houses, but for self-liquidating projects such as waterworks. The loan has been paid off, and two per cent was enough to pay for it. The general finances of most municipalities then were bad, and even loans for self-liquidating projects could have been arranged, except for this provision, only at the higher rate. I think the hon. member for Eglinton will find that no loans have been made since 1941. Advances have been made on loans which were approved before 1941.

Mr. FLEMING: The table I read was a table of advances made under the act.

Mr. SINCLAIR (Vancouver North): But when it is said that there has been no annual report on loans made, I believe the last loans in Canada, except Quebec, were in 1940. The Quebec loans were made in 1941, because up to 1940 the Quebec provincial government had not taken advantage of the act. I think this is an excellent piece of legislation.

Mr. FLEMING: Under section 10 there is provision for reports on administration.

Mr. SINCLAIR (Vancouver North): The actual loans were made and approved in 1941 at the latest.

In conclusion, I wish to thank the government for bringing in this amendment, which will permit the transfer of loans from one municipal body to a larger municipal body if such is established in the district.

Mr. ROSS (St. Paul's): Is it possible for the municipalities to get loans under this act today as before?

Mr. SINCLAIR (Vancouver North): I am only a private member. I am neither the parliamentary assistant nor the minister. The hon. member must direct his question to one of them.

Mr. MAYHEW: We are not in committee.

Mr. ANGUS MacINNIS (Vancouver East): My chief purpose in rising to say anything on this bill is to suggest to the parliamentary assistant to the Minister of Finance that when he speaks he should give the house a fairly comprehensive summary of the operations of the act since it was passed. I do not know how much information he may have with him, but if he has it he should do that, because this act having been passed in 1938 and having been operative only for a part of the time, many members are not conversant with it.

I was in the house at the time the act was passed and I believe it served, within its limited capacity, a useful purpose. Perhaps

the time is ripe for a reconsideration of the purpose of the act and its extension considerably as compared with its present scope.

I would emphasize the point made by the hon. member for Vancouver North (Mr. Sinclair) that the loans made under this act are not hand-outs, as was stated by the hon. member for Broadview (Mr. Church). They will all be paid back. Security is required, and there is nothing in the nature of a hand-out about the loans. I believe many municipalities have borrowed under the act for purposes of self-liquidating projects, and I am convinced that, in view of the financial condition of many of these municipalities, if not at this session then at the next, when probably it will be more necessary, the act should be extended.

Mr. JOHN T. HACKETT (Stanstead): When the minister does answer the questions that have been put to him and the suggestions that have been made, I wish he would spare a little time to explain the necessity for this act.

The hon. member for Vancouver North (Mr. Sinclair) said that the municipality of which he was speaking could not borrow money on the security which was offered for less than seven per cent. It occurs to me that if such is the case the security must have been of doubtful nature. I understand that there may be circumstances in which a government should come to the rescue of communities even if the security that they can offer be not of the best, where the health and general well-being of the community are at stake. On the other hand, if the securities are as good as we have been led to believe they are, it would appear to me to be a useless competition by the government with the proper and ordinary financial institutions of the country. To that extent, until we cease to believe in free enterprise and in the benefits which accrue from competitive undertaking, challenges of this kind to ordinary business should be abandoned. I would ask the minister, when he speaks, to deal with this aspect of the question.

Mr. RODNEY ADAMSON (York West): Some municipalities will be faced with one problem for which provision is not made in this bill; and I am thinking of my own municipality in particular. It is the question of assistance for servicing Wartime Housing projects. I wish to explain to you, Mr. Speaker, and to the parliamentary assistant, what I mean. There is a project in the township of Etobicoke. There were 260 wartime houses put in there as a veterans housing scheme. Each house is rented to a veteran,