

National Housing Act

Canada. It is dated February 15 and at page 26 the following is stated:

The National Housing Act has yet to be of significant value to those with low incomes. The provisions of the act and the activities of Central Mortgage and Housing Corporation have succeeded in providing housing for those who, generally speaking, already had sufficient income to obtain it or who needed only some help in doing so. Those with very low incomes, and by this we mean wage earners with low earnings, the elderly on small pensions or social assistance and other needy elements in the community, continue to live in congested quarters, in substandard housing and in blighted areas or slums. They are the unwilling heirs of the cast-off housing left behind by the more fortunate members of the population. To make matters worse, they are often compelled to pay unduly high rents for the unsatisfactory facilities that are available to them.

I am sure that the minister and members of this house are aware of the problem in relation to the constantly increasing cost of homes. It is really a serious problem for which a solution must be found which will enable individuals in these income brackets to own their own homes and thereby establish a certain measure of security.

Interest rates constitute a real deterrent to home ownership. Let me refer to another paragraph in the memorandum to which I referred. At page 27 we find the following:

At the same time, we are aware, as you must be, that more Canadians could own their own homes if the burden of mortgage interest were lower. The rates established by Central Mortgage and Housing Corporation take this into account to some extent but insufficiently so. We believe that lower interest rates would be in order and urge you to give this early consideration. We feel also that a larger degree of mortgage indebtedness should be permissible on the purchase of older homes.

We realize that there is continual pressure on available capital for the provision of housing, which has caused a great difficulty in the mortgage field. We in the Social Credit party have for many years advocated a means whereby this pressure could be eased. The government should get out of the borrowing field and let the Bank of Canada take over. This would release a sufficient amount of capital in other areas and sectors of our economy so that private enterprise could provide a sufficient amount of mortgage money. The government should look into the whole matter very carefully because this is a sound and practical means of alleviating the situation. We in this party urge that consideration be given to using the Bank of Canada to finance projects in the social field and thereby leave other available capital for private investment and development.

We in this party have read the provisions of the bill and agree with them as far as they go, but we urge the government to do more. That is all I have to say at the moment, but when we are considering the various clauses perhaps we will be able to make a further contribution.

• (8:10 p.m.)

[Translation]

Mr. Ovide Laflamme (Québec-Montmorency): Mr. Speaker, I wish for a few minutes to call the attention of the house to the various amendments made to the National Housing Act and point out to the whole country—because I feel this act is extremely important—and has the great number of towns and municipalities turned into large cities thanks to that act since 1954.

I represent a riding which since 1954 and to the extent of at least 75 per cent, has been entirely built up through the use of the National Housing Act. When one sees year after year the results brought about throughout the Canadian economy thanks to the amendments to the National Housing Act, it is worth repeating, I think—this is especially true in my riding—that when everything goes well in general in the construction field, the whole economy of the country is also sound, because not only does home building solve the important problem of housing families, but it also has the immediate result of creating employment, of promoting trade in general and, in short, of stimulating the economy.

A few years ago the Liberal government, through the N.H.A., enabled a great number of municipalities to benefit from a discount up to 25 per cent of the cost of water and sewer system projects carried out under that act.

I am quite pleased to see that one of the proposed amendments tends to extend until 1970 the effects of the legislation on direct assistance to municipalities.

Several million dollars have been spent especially in the Quebec metropolitan area which I know quite well and this has enabled the citizen who wanted to build a house to do so, thus taking advantage of essential services, the construction of which had been promoted by this legislation.

There is also another amendment to this legislation which should be pointed out, namely one concerning an increase from 85 to 90 per cent of the aggregate value of the loan granted to a borrower.

There is also the fact that the powers of the corporation have been increased in order