

DOMINION TO FINANCE HOUSING

Government Sets Aside \$25,000,000, Under Authority of War Measures Act, to be Loaned to Provinces for Building of Homes

The Dominion government has created a fund of \$25,000,000 which will be available by way of loan to the several provincial governments in connection with the carrying out of the programme for the better housing through municipalities or otherwise.

In the order-in-council authorizing the transaction the minister of finance points out that at the conference recently held at Ottawa between the premiers and other members of the governments of the several provinces and representatives of the Dominion government one of the most important subjects of discussion was that of the creating of better housing conditions for the industrial population of our larger centres. The minister points out that, owing to the practical cessation of building operations during the war, there is at present a great scarcity of housing accommodation in most cities, and this condition will become intensified with the return of soldiers from overseas and their re-establishment with their families in civil life and occupation. The minister further states that at the conference it developed that some of the provincial governments were considering the adoption of a policy of making loans to municipalities and otherwise extending advances over a long period, and repayable upon the amortization plan, for the purpose of promoting the erection of dwelling houses of a modern character to relieve the congestion of population in cities and towns in their respective provinces, and the question was raised as to whether the Dominion government would aid the several provincial governments in carrying out such a policy by making loans to them to place them, to the extent that might be necessary, in funds for the purpose.

Terms of Loans to Provinces.

The minister has accordingly made the following recommendations:—

- (1) That the minister of finance be authorized, under the provisions of the War Measures Act, upon request from the government of any province of Canada, to make loans to such government for the purpose mentioned.
- (2) That the aggregate amount to be loaned to all provinces shall not exceed \$25,000,000, and the amount of loan to any one province shall not exceed the proportion of the said \$25,000,000 which the population of the said province bears to the total population of Canada.
- (3) That the loans made may be for a period not exceeding twenty years, with the right of any province to pay off the whole or any part of the principal of the loan at any time during the said term.
- (4) That interest at the rate of five per cent. per annum, payable half-yearly, shall be charged upon the advances from the dates thereof respectively.
- (5) The minister of finance may accept bonds, debentures or such other form of security as he may approve, evidencing the indebtedness of any provincial government for loans made to it.
- (6) Advances are to be made from the war appropriation.
- (7) Advances may be made as soon as a general scheme of housing shall have been agreed upon between the government of Canada and the government of the province applying for the loan hereunder.

Will Provide Employment.

Speaking on Tuesday of the action of the government, Sir Thomas White said that apart from the recognized value of better housing from the standpoint of national health, comfort and morality, the problem was of exceptional importance at the time because the carrying out of a vigorous policy of better housing by the provincial governments and municipalities would find employment during the reconstruction period for a great army of artisans and workmen. The building trades in all branches, when fully occupied, always require a large amount of labor, skilled and unskilled.

If plans for model house construction for individual workers should be taken up at once by municipalities having congested areas of population, a great deal of employment would be afforded during the coming winter in getting pre-

pared the necessary material for beginning construction in the spring. This would beneficially affect the lumber industry, carpentering, plumbing and other trades. A considerable amount of actual construction could be done during the winter.

Low Rate of Interest.

The Dominion government had fixed a rate of interest lower than that at which it was able to borrow money. It felt justified in doing this owing to the national importance of the matter, and as a contribution toward the carrying out of programmes of better housing by the provincial governments and municipalities throughout the Dominion. It was recognized that a low rate of interest to borrowers was of vital importance in making better housing schemes effectual. It was necessary also that the loans should be for a long period, in order that the amortization of principal should not impose too heavy an annual burden upon borrowers.

Through Municipalities.

The minister stated that in his view the immediate benefit resulting from the creation of better housing facilities would be to the municipalities immediately concerned and the provinces in which they were situated. In his view there should be no hesitation on the part of municipalities in proceeding with better housing programmes, provided the congestion in their industrial areas warranted such action. The question of risk of loss was of minor consideration, having regard to the ultimate benefit to the communities concerned and the desirability of affording employment in advantageous undertakings during the reconstruction period. He hoped that with the financial means provided provinces and municipalities would at once proceed to formulate better housing.

Sir Thomas White has been in close touch with certain of the provincial governments which are known to be favorable to the prosecution of a vigorous programme in the construction of model houses for industrial workers. It is not known whether the provincial governments will confine themselves to making loans to municipalities or will engage otherwise in carrying out their policy. It is thought they will prefer to act through the municipalities which, it is pointed out by Sir Thomas White, are immediately concerned, and would be the chief beneficiaries of the carrying out of a better housing policy.

WELLAND CANAL TO BE COMPLETED

As a part of the reconstruction programme of the Dominion government, Hon. Dr. Reid, minister of railways, will at once proceed with the completion of the Welland Canal. The estimated cost of the work embraced in the four main contracts under which construction was being carried on at the outbreak of the war was 20 million dollars, of which 12 million dollars has already been expended. In addition to the estimated value of the main contracts referred to, there were other estimated necessary expenditures in contemplation for land, cement, structural steel bridges, lock gates, valves, etc., amounting to about eight million dollars, of which four million dollars has already been expended. The minister of railways expects that there will be engaged during the winter a force of about 800 men preparing for the reopening of the work in the spring, when some 4,000 will be engaged. Hon. Dr. Reid also expects to finish up work remaining to be done to complete the Trent Canal. This will employ a few hundred men.

As already announced, orders have been placed through the war board, here, for 200,000 tons of steel rails to meet the requirements of the Canadian Pacific, Grand Trunk and the government railway systems. The value of this order is about \$10,000,000. In addition the boards of directors of the several railway companies will proceed with the construction of such car equipment and locomotives as are needed. It is understood that the Canadian Pacific and the Grand Trunk will fill their requirements in their own shops. The aggregate value of car and locomotive equipment required by the several railways will be some 12 to 15 million dollars.

The Honorary Advisory Council for Scientific Research has advised the expenditure by the Dominion government of \$500,000 for the construction of a Central Research Institution.