

operation of the banks. The following statistics of performance may be of interest:—

Year	No. of Loans	Amount
1955 .....	24,711	\$27,227,000
1956 .....	30,411	29,767,000
1957 .....	29,998	30,168,000
1958 (to 30th June) .....	14,617	15,526,000
		\$103,138,000

When one looks at some of the dwellings across Canada, there is obviously great scope for increase in this type of housing loan, which could contribute in no small way to the improvement of family accommodation.

Experience with Home Improvement Loans has been good. During the three years of existence, there has been a rather steady increase in the percentage of loans in arrears for 60 days or more to current exposures or loans running, but this was to be expected in the growing stages of the operation. At some point, assuming no real setback in general economic conditions, this percentage should become stabilized, with the risk to the Government under the guarantee increasingly protected by a growing fund in C.M.H.C.'s reserve for this purpose built up from the 1% fee. Claims paid by C.M.H.C. to lenders have so far been very small—at 30th June, 1958, only \$74,000 out of total loans made amounting to \$103,138,000, or \$1 out of \$1,394.

Home Improvement Loans, in which a previous programme was successfully operated for several years before World War II, appear to afford an excellent vehicle for absorption of slack or idle resources in the building and related suppliers' fields, particularly at times such as the Winter months when outside construction falls off, and are worthy of strong promotion by all concerned.

#### *Future Participation and Co-operation:*

In conclusion, it is probably unnecessary to offer the assurance that it is the intention of the chartered banks, fully conscious of their responsibilities, to continue to co-operate in the improvement and financing of Canada's housing, in every reasonable way and, of necessity, in accordance with conditions existing and the legitimate call of their other obligations.

Senator SMITH (*Queens-Shelburne*): Would you have any figures to add to the table shown on page 2? You give the number of family dwelling units. What would be the corresponding dollar value of the participation of the banks in this lending field?

Mr. FRIESEN: That figure includes not only the money actually lent but the moneys that have been committed, money promised to builders and individuals who are building houses. Naturally, the figures represented on our books lag considerably behind the amount committed for. The actual commitments were \$900 million.

Senator SMITH (*Queens-Shelburne*): That is the total of all you have loaned since you have been in this field?

Mr. FRIESEN: That is right, for the last four years. The actual loans, because of the lag of the commitments, as of May 31, amounted to \$631 million on the books of the banks. That is partly due to a natural delay in the use of the funds.

Senator ISNOR: I was very pleased to note that the brief emphasized the need, at least that is my interpretation of it, of the home improvement plan, and the figures as shown on pages 2 and 7 certainly bear that out. The table shows that in 1955 there were 34,457 loans. That was the largest year of those