

shortage, must necessarily be the subject of intensive direct and statistical investigation. At least the provision of dwelling units to the number of 25,000 should be initiated immediately throughout Canada.

8. Selective tenancy of Government aided housing should be based on total family income and ability to pay economic rent.

9. The acuteness of the housing problem lessens to the degree that the wage scales of low wage earners is improved.

10. Provision should be made for long term mortgages, in view of the long term amortization generally associated with housing.

11. A major item in the financing of housing is interest charges. There is, therefore, a close and vital relationship between interest charges and economic rents.

12. That the principle and institution of mortgage banks, as established in other countries, be investigated with a view to their effect upon the lowering of housing costs.

13. That slum areas have been shown to cast very heavy expenses on many branches of public administration such as health, welfare, fire prevention, administration of justice, etc., may justify public assistance, which is likely to prove as sound financially as it is certainly desirable socially.

14. Against public liabilities may be set certain very real, if in some cases, immeasurable, assets. Good housing means less expenditure on prevention of disease, less crime, greater benefits for education, less unemployability as opposed to unemployment. The elimination of bad conditions has a cash value as well as a moral value to the nation. Further, there are wider economic aspects to consider. Bold and constructive housing projects will increase employment both directly and indirectly through the activity generated. To mitigate any liabilities on the national finances the cost of unemployment would be directly reduced, tangible and needed assets will be created, the yield of sales and income taxes will be increased by the profits of those in building and industry as well as those who benefit from the increased spending power of wage earners employed through the undertaking.

15. Reference made in this report to the low monthly rental possible of payment by low wage earners should not be accepted in any way as indicative of the setting of any wage scale. Government assisted housing should not be taken advantage of to reduce the standard of living.

16. That the initiation of a policy of new construction and particularly of repairs (rehabilitation) will appreciably stimulate private owners to do likewise, will also proportionately release for demolition slum buildings presently retained for want of other accommodation.

17. The construction industry lends itself most effectively to the alleviation of unemployment and consequently to a reduction of those relief charges now being borne by federal, provincial and municipal taxpayers.

YOUR COMMITTEE THEREFORE RECOMMENDS

1. That a Housing Authority be established with power to initiate, direct, approve and control projects and policies, and to allocate such moneys, as in the opinion of Parliament, may be necessary for the purpose of assisting a program of urban and rural housing.

2. That said Authority be authorized to negotiate agreements with any province, municipality, society, corporation or individual with a view to promoting construction, reconstruction and repair of such dwellings as may be