

farmers rather than tenant farmers and the leaseholds and "lifetime" mortgages found in Europe were almost unknown. So it is not surprising that 1970 figures indicate a high proportion -- more than 60 per cent of Canada's total housing stock of about 5.8 million units is owner-occupied.

Private home-ownership is facilitated by the relatively high income-level of Canadians (second only to that of their neighbours in the United States), which permits them to accumulate more easily the capital required to purchase a home. Almost universal automobile ownership has given the average city worker a much higher degree of mobility, permitting him to commute daily from his home in the suburban outskirts of the city. Another factor contributing to the popularity of home ownership is the relatively small differential in the monthly carrying-charges required for apartment rental and for home-buying under the National Housing Act (NHA) mortgage system.

To the average man, the cost of a house represents about two-and-a-half times his annual income, and not many can afford to make such an expenditure in cash. Usually, a house is purchased by means of a mortgage, a long-term loan made on the security of the property itself. Loans of this type are made by a variety of institutions, such as banks, life-insurance companies and loan or trust companies. Mortgage loans may be made by credit unions, fraternal organizations, and, in some cases, even by private individuals. The Federal Government and some of the provincial governments also help families to own their own homes. In fact, 40 per cent of the 2.5 million housing units built since 1954 -- more than one million dwellings -- have been financed by the National Housing Act.

In recent years, federal participation has been increasingly directed to the needs of families with incomes as low as \$4,000. In 1970 alone, the Federal Government provided for the construction of more than 47,000 units for families in the lower third of Canada's income range.

Amortization

Most mortgages are amortized. The borrower agrees to repay, in equal monthly instalments, part of the principal with the interest due on the amount still owing. In this way, the loan is fully repaid at the end of the mortgage period. There has been an increasing tendency to lengthen the repayment period. In 1970, more than 85 per cent of NHA mortgages were amortized over a 25-year period, as opposed to the five- and ten-year mortgages that were common some years ago. Mortgage loans from both federal and private resources are available for the construction of rental properties.

Since the introduction of the 1954 National Housing Act, extensive changes have been made which greatly broaden the scope of federal assistance for housing. In recognition of the fact that housing needs are constantly growing wider and more complex, the statute embraces public housing, housing for the elderly, urban-renewal programs, sewage-disposal systems and housing for both single and married university students. A preferential interest-rate applies to NHA loans in support of such undertakings.

NHA Mortgages

For both borrower and lender, there are several advantages to a National