

## APPENDIX No. 2

The report of the Committee, as subsequently endorsed by Order-in-Council, stated that the object of the Government in making the proposed loan was as follows: (a) to promote the erection of dwelling houses of modern character to relieve congestion of population in cities and towns; (b) to put within the reach of all working men, particularly returned soldiers, the opportunity of acquiring their own homes at actual cost of the building and land acquired at a fair value, thus eliminating the profits of the speculator; (c) to contribute to the general health and well-being of the community by encouraging suitable town planning and housing schemes.

It was pointed out that the provision of houses, so far as it might be regarded as a public duty, was a matter which came more properly within the jurisdiction of the provinces and municipalities, but that, as the Federal Government had been invited to lend money, it was necessary to impose certain conditions under which the money would be used. These conditions were limited to four in number but certain standards in regard to the construction of dwellings and planning of sites were made the subject of recommendation. In a subsequent variation of the scheme permitting cheaper forms of construction, some standards were imposed as compulsory, but only in cases where this cheaper form of construction was adopted.

It will be observed that the object of the Government was partly to relieve congestion of population. It may, therefore, be taken that this meant that some attention should be given to the erection of the dwellings in the open surroundings of cities, rather than in the congested centres. It is also to be noted that among the objects were to give preference to returned soldiers and to discourage speculation, and to encourage suitable town planning as well as the erection of dwellings.

*Mandatory Conditions.*

The four conditions on which loans were agreed to be granted may be summarized as follows:

1. A general housing scheme had to be prepared by each province and submitted for the approval of the Federal Government. This general scheme had to set out the standards and conditions to be complied with in local housing schemes. Once, the general scheme for the province was approved by the Federal Government, the jurisdiction in respect of local schemes would rest with the provincial authorities.

2. The maximum amount authorized to be loaned per dwelling was not to exceed, for different sizes and types of dwellings, inclusive of land, etc., the respective sums of \$3,000, \$3,500, \$4,000 and \$4,500. (These sums have since been varied to \$3,500, \$4,000 and \$4,500).

3. Loans could be granted only, for building houses and purchasing land, to Provincial Governments, Municipalities, Housing Societies with limited dividends and owners of lots for the purpose of erecting houses for their own occupancy.

4. The loans were to be repayable over a period of 20 years, or in special cases, of 30 years.

What the general housing scheme of each province should include in the matter of standards was, therefore, left to the discretion of the province so long as it prepared a scheme and obtained the approval of such scheme from the Federal Government. It is difficult to conceive any simpler or less arbitrary conditions being attached to any loan than those above summarized. Obviously, the intention was to leave the utmost discretion to the provincial governments, subject to their preparing a scheme and to limiting the loans to a specified amount and for a specified period.

In any subsequent difficulty that has developed in execution of the schemes, it will probably be found that it has been due either to misunderstanding or to the provincial regulations not being adaptable to meet local conditions. It is true that the Federal project required that the scheme of each province should include a schedule of minimum standards in regard to grouping of houses, provision of open