

Housing Schemes

Methods already worked out—How they would affect Canada
—New Zealand Methods

By J. W. MACMILLAN.

One of the plans announced by the Dominion Government for providing work during the reconstruction period is the loaning of money for housing schemes.

Canada lags behind most of the rest of the world in its appreciation of the need of governmental aid to housing. Several of the Provinces have written Town-Planning and Housing laws upon their statute books, but practically nothing in the way of physical results have come of them as yet. Only a few enthusiasts have been aware of the peremptoriness of the problem in our cities, of the special need of comfortable dwellings in a land where the winters are severe, and of the current failure of private enterprise to supply wholesome dwellings for the bulk of the population.

In most of the countries of Europe and in the Australian and New Zealand dominions practical schemes have been in operation for periods long enough to afford a body of experiment which may be of supreme value to us to-day. International housing congresses have been held in Europe since 1889. In the United States, though the emphasis has been rather upon health and building regulations, such congresses have been held yearly for some time. The methods which have been worked out may be classed in three groups, as follows:

1.—Building directly, for rental or sale.

(a) For Government's own employees—

National, as in Austria, Germany, Hungary and Roumania.

State or Provincial, as in Germany, Switzerland and Roumania.

Municipal, as in Germany, Hungary and Roumania.

(b) For working people generally, as in France, Germany, Britain, Italy, Australia and New Zealand.

11.—Making loans of public funds (including also Government guaranty of loans) to—

(a) Local authorities, as in Austria, Belgium, Denmark, Germany, Britain, Hungary, Luxemburg, Sweden and Norway.

(b) Non-commercial building associations, as in Austria, Belgium, Denmark, France, Germany, Britain, Italy, Luxemburg, Netherlands, Sweden and Norway.

(c) Employers, as in Germany, Britain and Luxemburg.

(d) Individuals, as in Germany, Britain, Australia, New Zealand and Norway.

111.—Granting exemptions from or concessions in taxes or fees or granting some other form of subsidy to building associations and others, as in Austria, Belgium, France, Germany, Italy, Hungary, Roumania, Spain, Switzerland, Australia, and New Zealand.

The scheme of the Dominion Government appears to be to leave the choice of methods to the Provinces, while it supplies the funds. The Provinces have a choice between all the methods outlined in the table above, as well as any new methods which they may invent themselves. It is not likely that the field of discovery is large, and it may be taken for granted that whatever is done in Canada will be done along the lines of one of the methods already employed somewhere in the world.

The first sort of methods, that of direct building by governmental authorities, is not likely to be followed. Of the second sort, the loaning of public funds, there are two ways which will probably commend themselves to Canadian minds. These are the first and last of the sub-classes, the loaning to local authorities and the loaning to individuals.

The garden cities of England have caught the attention of the English-speaking world. Of course they actually house but a fractional portion of the people of the island. Their chief value lies in set-

ting an example. They show that it is possible for people, and poor people at that, to live in decency and comfort at no greater cost than was required when they were overcrowded, congested, dirty and sick. They spread dissatisfaction with low standards of living.

It would be difficult, if not impossible, for any Canadian city to erect enough dwellings, suitably built and surrounded, to provide for more than a negligible part of their population. Yet one colony of this nature, on the outskirts of a city, would be worth while for the effect it would have upon the ideas and efforts of the whole body of citizens. The vacant land in any city is scattered, making it difficult to assemble in any one place a collection of houses of any new sort. Many cities, however, could lay hands on one plot of ground, perhaps a disused park or exhibition grounds, which might be made the theatre of a demonstration of what kind of houses were attainable for the working-classes of the city.

It is necessary to furnish an example before general approval of any new scheme which costs public money can be secured. It was so with the introduction of asphalt pavements. When they began to be built in Canadian cities and towns there was much opposition to them. All the conservative and careful classes were against them. The radicals and spenders succeeded at first in being allowed to construct a few yards in some place where it was particularly needed, and where the opposition was particularly weak. The result has been that within a few years the asphalt has spread throughout the city or town. Those who opposed it most vigorously have become impatient to have it laid before their own doors.

We need the same sort of actual demonstration in respect of houses. If such an Arcadian village as Port Sunlight were in existence within any of our larger cities every new house in the place would show some traces of its influence.

As a means, however, of supplying the working-people of Canada with homes at once warm, handsome, sufficient in size, with modern conveniences, and at a low price, the best plan is probably that of loaning funds to individuals. What the rural credit schemes are doing for the farmers the housing scheme might do for the city dwellers, and after the same fashion. It is desirable to foster individual ownership of homes. Many are in possession of homes now which by the wise expenditure of a little money or by the conversion of the mortgage into a loan at a cheaper rate would become much more satisfactory residences.

DOUBLE TAXATION OF AMERICAN BRANCHES IN CANADA FEARED.

If the draft revenue bill now before the United States Senate is passed it is feared that Canadian branches of American companies will suffer double taxation. The Canadian Reconstruction Association has received advices that under the new legislation the United States may be able to impose income and business taxes upon companies operating in the Dominion and incorporated under Canadian laws, the stocks of which are held in the United States.

In protest against such an impediment being placed on the expansion of American companies in Canada Sir John Willison, president of the Canadian Reconstruction Association, has telegraphed to Senator Simmon and Congressman Claude Kitchin and to Dr. Adamson the taxation advisor of the administration as follows:

"Such companies are subject to Canadian taxation and if your act is passed in its present form the result might be double taxation of Cana-

A survey of housing conditions in Winnipeg was made within the last few weeks by the city council. It explained how it was possible that rents could be unremunerative to landlords in many cases, how a number of houses could be empty, how other houses could be overcrowded, and how, at the same time, there could be a sharp demand for houses. Of the empty houses in the city a considerable number were found to be impossible of habitation. A number were found to be habitable if put into proper repair. A number were found to be ill-situated, and not suited to the needs of the class of people living in the district. The type of house which the worker on small wages requires—one of four or five rooms, warm and containing sanitary appliances, and near to the factories—was in demand.

In New Zealand there are two housing schemes in operation. One of these is for the construction of houses for workers by the State for rental or purchase. In the year 1913 one hundred and twenty-six houses were built in this way. Far more popular and successful has been the other scheme, for making loans to workers to aid them in building or purchasing homes. As this is the plan which seems to me the most suitable and promising for use in Canada I shall set forth the chief provisions of the law.

The loans are limited to workers, either manual or clerical, whose income is less than £200 per year, and who are not the owners of any other land than the plot upon which they propose to build. The sum advanced may not be more than £450, and must not exceed the value of the dwelling to be erected. The security is a mortgage on the whole property.

The interest is payable half-yearly, with an instalment of the principal, so that the loan is repaid in 36½ years. The fees are made very low, and are paid by the borrower. The applicant must reside in the house built by the loan. Interest is at the rate of five per cent., reduced to four and a half if paid promptly. Inspection of the dwelling is provided for.

By this method about nine thousand workers built or bought their own homes in the seven years' operation of the act ending with December, 1913. During the year 1913 there were over thirteen hundred houses thus built or acquired, and the amount loaned was over two million dollars.

The housing problem is much more important than most people imagine. It is not simply a question of comfort which is involved but one of life and death. In Chile, for instance, where very high rates prevail for both birth and death, so that the population is practically stationary, it is argued that the reason why the death-rate is over 33 per thousand is the insanitary conditions of the houses. In the municipal dwellings erected by the London County Council the death-rate is 8.5, while it is 15 for the whole county. Any one that will take the trouble to compare the death-rates of any central and suburban ward in any Canadian city will convince himself that the same influences are at work among ourselves, and that the housing problem is in Canada, as elsewhere, a matter of life and death.

dian branches. This would involve great hardship, and it would place an increased substantial difficulty in the way of the interchange of business between Canada and the United States, particularly if the Dominion Government should follow your lead. We believe that as companies incorporated under Canadian laws, protected by the Canadian Government, deriving profits from Canadian trade and subject to provincial and municipal, as well as federal, taxation in Canada, and as the profits from foreign business secured by such companies may be due in part to the assistance of the Canadian Government and credits provided by the Canadian Treasury, taxation by the United States Government would be unfair.

"We respectfully urge that businesses should be taxed only once and that in the country where the business is carried on. This would not prevent taxation in the United States or Canada of parent companies in respect of any profits or income derived from foreign branches when such profits or income are brought into the country where the parent company operates."