

But there is also an important difference. I am told that, in the U.S., the Federal Government frequently deals directly with the municipal authorities; indeed, many states have provided "constitutional home rule" for larger cities. In Canada, the Federal Government seldom deals directly with municipalities.

There is another important consequence of the powerful provincial governments we have in Canada. It has helped us to prevent or overcome one of the most difficult aspects of the U.S. urban scene -- the splintering of jurisdiction among competing local governments. In Canada, most provinces have been able to provide vigorous and imaginative leadership in the creation of metropolitan and regional local governments, with responsibilities for area-wide planning and administration.

### Federal Policy

During the greater part of the postwar period, a very important, and certainly the most visible, federal intervention in urban Canada was in pursuance of our national housing policy. The role has been more one of stimulating and complementing the private sector and other levels of government, rather than assuming prime responsibility. The Federal Government has sought to increase the flow of mortgage money and to encourage lenders to make loans available to prospective homeowners on better terms than those provided by normal market forces. The Central Mortgage and Housing Corporation, created in 1945, has been responsible for this and most other aspects of federal housing policy.

The Central Mortgage and Housing Corporation insures mortgage loans available from approved lenders to individual homeowners, builders and special groups such as co-operative housing associations and farmers. It may also make direct loans to aspiring homeowners and builders where, in its opinion, insufficient loans are available from approved lenders. Both programs are designed to have their main impact on low- and middle-income housing.

Other aspects of housing policy are linked more closely to other levels of government. In co-operation with provincial governments, the Federal Government has helped to finance new housing, and the purchasing and rehabilitation of existing housing for low-income families. As a complement to this, Central Mortgage is also empowered to make long-term loans to a province or local authorities for the provision of housing accommodation.

Close to half of the country's present stock of approximately 5.9 million houses have been built since the first legislation was enacted. Of these, about one-third were financed in one way or another under the federal housing legislation.

However, the Federal Government has become concerned that this may not be enough, in view of the enormous demand for housing anticipated over the next decade. The Government has, therefore, introduced legislation in the House of Commons to create a mortgage-exchange market, an institution which has