

A close and continuing watch should therefore be maintained on the possibility of reducing interest rates. There would be sizeable savings even if the reduction applied only to part of the mortgage. For example, inasmuch as governments may generally loan money at lower rates than the individual citizen, it is cheaper if the services are installed by the local authority than if they are included in an insured mortgage under the N.H.A. at 6% or in the amount of a conventional housing loan at 7%. Then again, local improvements could be amortised by a municipality over 50 years, or twice the length of an average housing mortgage, with ensuing reductions in annual costs.

Similarly, it is submitted that no attempts should be made to create an accumulating asset with regard to the premium paid for the insured loans. Losses under the Act during the whole post-war period have been negligible. While it is admittedly difficult to make predictions for future experience with N. H. A. mortgages, it does not appear that the thought behind the insurance plan of giving needed help to marginal borrowers has been operating to any extent.

- (vi) Cooperation of authorities needed regarding land availability and planning controls.

Another factor that is usually outside of the builders' control is the availability of land at a reasonable cost. Much has already been said about the cost of servicing land. A related problem which also seriously hampers housing construction is that of restrictive zoning and planning which are not based in accordance with sound professional advice. Frequently restrictions of a traditional nature on lot sizes, setbacks and against multiple-unit or lower cost houses are not as effective in enhancing property values as over all community and regional planning. Some of the standards set for streets and services are unnecessarily high and the feasibility of erecting modest homes is often a serious problem. The time required to process a subdivision plan may well be one or two years.

- (vii) Various resources of the building industry should be used to the utmost.

Reference has been made to the fact that the construction of housing is a responsibility shared by builders with designers, manufacturers, suppliers, financial institutions, governments, research organizations, planners, labour, real estate dealers and others. A deficiency in any one group seriously hampers the efforts of the construction industry or the other partners in the housing program. All must make their full contribution.

Similarly, it is essential that the various types of builder should be allowed to play their full part in the housing program, whether they be the merchant builder who frequently carries out multiple housing projects in the larger urban cities or the builder who works on a smaller scale in centres large and small on a more "custom" basis. The need for housing is great and both approaches should be assisted to the full. Houses erected in large developments or on individual lots will have different yardsticks for basic costs and appraisals.

The above is not intended to suggest that the services of all builders should be utilised, irrespective of efficiency or capacity. Indeed, the fact that the average life span of a housebuilding concern is under five years suggests that some form of minimum qualifications are in order. It is noted that a growing number of builders are providing warranties and are publicizing approved standards for electrical, heating and other installations. Bonded warranties and inspection for owners after completion of the house are other possibilities now being studied by our Housing Committee.

Conclusion:

Delegates at the recent C.C.A. Housing Conference agreed that the construction industry can by conventional methods produce a three-bedroom