

1940, loans are restricted to the financing of single-family dwellings. The maximum loan for each house is also limited to \$4,000. The other features of Part I of the Act remain unchanged.

The Minister is empowered to make advances and pay expenses of administering this Part to the extent of \$20,000,000, less advances already made and administrative expenses already incurred under the Dominion Housing Act which amounted to approximately \$5,500,000. All loans are made through approved lending institutions. Loans may be for an amount not exceeding 80 p.c. of the lending value of the property. Where lending value is \$2,500 or less, and the house is being built for an owner-occupant, loans may be for an amount not exceeding 90 p.c. of such lending value. The equity of at least 20 p.c. or 10 p.c., respectively, is to be provided by the borrower. Provision is also made for loans ranging between 70 p.c. and 80 p.c. when the lending value exceeds \$2,500, and for loans ranging between 50 p.c. and 90 p.c. when the lending value does not exceed \$2,500. The interest rate paid by the borrower on all loans made under Part I is 5 p.c.; this is made possible by the fact that the Government advances one-quarter of the total mortgage money on an interest basis of 3 p.c. Loans are made for a period of 10 years subject to renewal for a further period of 10 years upon revaluation of the security and on conditions satisfactory to all parties concerned. Interest, principal and taxes are payable in monthly instalments. Amortization of principal over 20 years is provided for, but more rapid amortization may be arranged to suit the borrower. Sound standards of construction are required.

The utmost encouragement has been given to the construction of low-cost units in areas suffering from an acute shortage of housing due to concentration of labour forces for war production. During 1940 a steadily increasing proportion of loans approved was for low-cost houses. More than 25 p.c. of all loans approved to Dec. 31, 1940, were for amounts of \$2,500 or under; 50 p.c. for \$3,000 or under; 85 p.c. for \$4,000 or under. The average unit loan in 1940 was \$2,945; 443 localities have taken advantage of the Act.

1.—Loans Approved under the Dominion Housing Act, 1935, and Part I of the National Housing Act, 1938, by Provinces, October, 1935, to December, 1940

Province	Loans					Family Units Provided				
	1936 ¹	1937	1938	1939	1940	1936 ¹	1937	1938	1939	1940
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Prince Edward Island.....	6	4	5	2	1	6	4	5	2	1
Nova Scotia.....	93	186	139	144	94	96	186	149	147	95
New Brunswick.....	12	48	50	50	30	12	51	55	66	30
Quebec.....	231	303	355	512	397	475	524	745	1,244	807
Ontario.....	361	604	1,076	2,823	3,152	422	839	2,119	3,691	3,469
Manitoba.....	12	36	110	264	429	12	36	170	351	492
Saskatchewan.....	Nil	2	5	30	24	-	2	5	101	24
Alberta.....	"	Nil	Nil	Nil	Nil	-	-	-	-	-
British Columbia.....	10	243	784	724	1,101	10	319	890	765	1,155
Totals.....	725	1,426	2,524	4,549	5,225	1,033	1,961	4,138	6,367	6,073