

The indexes given in Table 17 show as far as possible the fluctuations in building costs and their effect upon construction work and employment. The relative proportions of material and wage costs in general building are difficult to determine since such proportions vary with the type of building and the centres studied.

17.—Value of Building Permits Issued in 204 Municipalities and Index Numbers of the Building Construction Industries 1947-56

Year	Value of Building Permits, 204 Municipalities \$'000	Average Index Numbers (1949=100)			
		Prices of Building Materials		Wage Rates in Construction Industries ¹	Employment in Building Construction ²
		Residential	Non-residential		
1947.....	373,231	79.1	84.5	84.1	81.9
1948.....	536,058	95.4	95.9	95.7	91.4
1949.....	616,161	100.0	100.0	100.0	100.0
1950.....	801,765	106.4	105.0	104.8	104.7
1951.....	681,162	125.5	118.6	118.6	116.0
1952.....	802,738	124.9	123.2	128.6	127.1
1953.....	1,088,880	123.9	124.4	136.2	128.2
1954.....	1,151,087	121.7	121.8	140.0	115.8
1955.....	1,310,124	124.3	123.4	145.4	117.4
1956.....	1,318,927	128.5	128.0	150.7	138.7

¹ Compiled by the Department of Labour, Ottawa.

² As reported by employers.

Section 3.—Housing*

Subsection 1.—Government Aid to House Building

Federal Assistance.—The Federal Government's housing policy has been developed through a succession of Housing Acts. The Government originally entered the housing field in 1919 when, by an Order in Council passed under the War Measures Act of 1918, it made \$25,000,000 available for loans to provincial governments. The provinces in turn lent the money to municipalities for the construction of moderate-cost housing. The first general piece of federal housing legislation was the Dominion Housing Act of 1935. This was succeeded by the National Housing Acts of 1938, 1944 and 1954.

The Federal Government's activities in housing today are defined by the National Housing Act, 1954. Central Mortgage and Housing Corporation, incorporated by Act of Parliament in 1945, administers these activities. The President of the Corporation reports to the Minister of Public Works.

In general, the Federal Government has attempted to stimulate and supplement the market for house building, rather than assume direct responsibilities which rightfully belong to other levels of government or which could more effectively be borne by private enterprise.

More than one-third of the house building in Canada today is aided by the participation of the Federal Government in one way or another.

Insured Mortgage Loans.—To assist the financing of new housing construction, both for home ownership and rental housing, the Corporation insures mortgage loans. These loans are made by banks and other financial institutions which have been approved as lenders under the Act.

The borrower pays an insurance fee. CMHC is the underwriter and all insurance fees remitted by the approved lenders are paid into the Mortgage Insurance Fund. When claims are made on the Fund, the amount paid includes 98 p.c. of the aggregate of the

* Prepared in the Information Division, Central Mortgage and Housing Corporation, Ottawa.