

duplex, semi-detached or multiple-family dwelling, plus \$1,500 for each additional unit. Loans are repayable in monthly instalments, together with interest at the rate of 6 p.c., in not more than 10 years.

Public Housing.—Under the National Housing Act and complementary provincial legislation, the Federal Government and the government of a province may enter into a partnership agreement to build rental housing for families and individuals of low income or purchase and rehabilitate existing housing for this purpose. Projects may include hostel or dormitory accommodation in addition to self-contained units. The Federal Government bears up to 75 p.c. of the capital costs and the provincial government the remainder, although the latter may call upon the municipality concerned to bear a portion of the provincial share. Projects are of two types—subsidized and full recovery. In the former, rents are related to the tenant's family income and size of family and operating deficits are shared on the same contractual basis as the capital costs; in the latter, rents are set at a level sufficient to amortize capital costs and to recover operating expenses. The Federal Government and the government of a province may also enter into an agreement to provide for a land assembly project which involves the development of raw land for housing purposes. Such projects are financed in the same manner as federal-provincial housing projects.

A 1964 amendment to the National Housing Act authorized another type of assistance to produce public housing—the Corporation may make long-term loans to a province, or to a municipality or public housing agency with the approval of the province, for the provision of public housing accommodation for low-income individuals and families. Projects may consist of new construction or existing buildings and include dormitory and hostel accommodation as well as self-contained family units. Loans may be up to 90 p.c. of the total cost as determined by CMHC and for a term as long as 50 years but not in excess of the useful life of the development. The maximum amount that may be borrowed for a house with four or more bedrooms is \$15,600 and for a house with three or fewer bedrooms, \$14,900. The maximum loan for a fully serviced apartment is \$12,000 and for hostels or dormitories, \$7,000 for each person accommodated. The interest rate is set by the Governor in Council.

The 1964 amendment also provides for federal contributions to assist in meeting losses incurred in the operation of public housing projects. Such grants, covering up to 50 p.c. of operating losses, may be for a period up to 50 years but not exceeding the useful life of the project. Grants may be provided whether or not a public housing project is undertaken with a loan under the National Housing Act. Loans to assist proponents of public housing projects to acquire land for future projects were also authorized; the maximum loan is 90 p.c. of the cost of acquiring and servicing the property.

Urban Renewal.—The 1964 changes in the National Housing Act broadened substantially the scope of federal assistance available to provinces and municipalities undertaking programs of urban renewal. CMHC, with Federal Government approval, may arrange with a municipality to undertake either a city-wide study or a study within a specific area for the purpose of identifying blighted areas, determining housing requirements and providing data upon which an orderly program of conservation, rehabilitation and redevelopment can be based. The federal contribution may be as much as 75 p.c. of the cost of a city-wide study and up to 50 p.c. of the cost of a limited area study. The amended legislation also authorizes federal contributions equal to one half of the costs of preparing an urban renewal scheme setting out proposals for urban renewal action, a similar cost-sharing arrangement for the implementation of a scheme, and loans up to two thirds of the provincial or municipal share of the cost of carrying out an urban renewal scheme. Loans may be for 15 years at an interest rate prescribed by the Governor in Council. To encourage the improvement and conservation of housing meeting minimum standards of construction, loans under the home-ownership and rental housing provisions of the Act were also authorized in June 1964 for the sale, purchase or refinancing of existing housing in urban renewal areas not designated for demolition.