

projects are related to the tenant's family income and size of family. Operating deficits are shared on the same contractual basis as the capital costs.

As an alternative, CMHC may make long-term loans to a province, or to a municipality or public housing agency with the approval of the province, to provide public housing accommodation. 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% 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 that may be borrowed for a fully serviced apartment is \$20,000, and for hostels \$10,000 for each person accommodated. For a house, the maximum is \$30,000. The interest rate is set by the Governor in Council. Where this alternative is selected, federal grants may be made covering up to 50% of losses incurred in the operation of public housing projects, for a period of up to 50 years but not exceeding the useful life of the project. Annual subsidies are shared by CMHC and the province concerned.

Urban renewal. Federal grants and loans are available under the Act for provinces and municipalities undertaking programs of urban renewal. CMHC, with federal government approval, may arrange with a municipality to undertake a study to identify blighted areas, determine housing requirements and provide data upon which an orderly program of conservation, rehabilitation and re-development can be based. The federal contribution may be as much as 75% of the cost. The 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 are available for the sale, purchase or refinancing of existing housing in urban renewal areas not designated for demolition. Since August 1969 activity under the urban renewal provisions of the National Housing Act has been restricted to prior commitments only.

Land assembly. The federal and provincial governments may enter into an agreement to provide for a land assembly project which involves the development of raw land for housing purposes. The federal government pays up to 75% of the cost and the provincial government the remainder. The latter may call upon the municipality concerned to bear a portion of the provincial share. In addition, loans equal to 90% of the cost of assembling and servicing land for public housing purposes are available at a preferential interest rate to provinces, municipalities and their agencies.

CMHC building. The Corporation may construct and administer housing and certain other buildings on its own account and for other government departments and agencies. Its responsibilities include the provision of architectural and engineering designs, the calling of public tenders and the administration of construction contracts — including any necessary on-site surveying and engineering. On such contracts, the Corporation carries out full architectural and engineering inspections.

Research. CMHC is concerned with building technology in the formulation of standards for housing construction, in the use of suitable materials and in the development of new building techniques. The Corporation has no laboratory facilities but has direct experience of performance in the field and seeks the advice of specialists in various agencies and departments of the federal government in such matters. Research into the factors affecting housing is concerned with the measurement of the demand for new housing, the volume of new housing built and the supply of mortgage money for house construction. The Corporation also co-ordinates and publishes statistical information on housing. Funds provided under the National Housing Act support the activities of the Canadian Housing Design Council, the Community Planning Association of Canada and the Canadian Council on Urban and Regional Research.

Other federal legislation. The Farm Credit Act, providing for federal long-term loan assistance for housing as well as for other farm purposes, and the Farm Improvement Loans Act, providing for guarantees for intermediate- and short-term loans made by approved lending agencies to farmers for housing and other purposes, are described in greater detail in Chapter 11. The Veterans' Land Act, which provides a form of loan and grant assistance to