

veterans for housing and other purposes, is dealt with in Chapter 6. These three statutes are concerned only incidentally with housing.

#### **14.1.1.2 Provincial assistance**

All provinces have complementary legislation providing for joint federal-provincial housing and land assembly projects and, in addition, most provinces have enacted separate legislation with respect to housing. Details are available from the respective provincial government departments.

#### **14.1.2 Housing activity 1970-71**

Studies of urban, suburban and rural growth rates conducted during the late 1960s indicated that, in order to meet Canada's minimum housing need to the end of 1974, a total of 200,000 new units per year for the five-year period 1970-74 would be required. By the end of 1972 approximately 675,000 housing starts had been made in all areas of the country, roughly two thirds of the goal.

Although dwelling starts in 1970, at 190,528, were 9.5% below the record of 210,415 of the previous year, in 1971 the trend reversed, with mortgage loans by conventional and NHA-approved lenders increasing by 38% and 77%, respectively, and dwelling starts increasing 22.6% to a total of 233,653 (Tables 14.1 and 14.2). In 1972, the rising trend continued with dwelling starts rising to 249,914. Conventional loan totals for 1970 and 1971 were \$1,182.8 million and \$1,963 million representing 99,826 and 146,977 dwellings, respectively.

Approved lenders' investment in 1970 for new and existing housing amounted to \$894.6 million, representing 56,280 dwellings and hostel accommodation for 2,830 persons. In 1971, this activity doubled to an investment of \$1,807.2 million for 111,914 units and 3,882 hostel beds.

Direct federal support during 1970 involved 68,178 new and 7,910 existing units for a total of 76,088. Hostel accommodation was provided for 13,093 persons. All hostel accommodation and 47,000 of the dwelling units were for low-income families or individuals. The total federal investment in housing for the year was \$965.5 million. Comparable figures for 1971 involved 53,013 new and existing units and 9,034 hostel beds with loan and capital commitments of \$748.3 million. About 83% of direct lending in 1971 was allocated for low-income housing compared to 72% in 1970.

The average cost of both single-family dwellings and apartment units dropped slightly in 1970 from 1969 as a result of a decrease in construction cost factors. The land-cost element, however, has continued its rise over both years with the result that 1971 total housing costs, including land, averaged \$20,528 for single-family dwellings and \$14,237 for apartment units compared to \$19,915 and \$13,810 in 1970.

**Operations under the National Housing Act.** NHA mortgage loans amounting to \$2,266.2 million were approved in 1971 for the provision of 145,042 new dwellings and 11,700 hostel beds, compared with loans of \$1,720.1 million approved for 116,294 new units and 12,610 hostel beds in 1970. In 1971, direct lending by CMHC accounted for \$676.2 million representing 47,395 units and 7,818 hostel beds; approved lenders financed 97,647 units and 3,882 beds through mortgage loans aggregating \$1,589.9 million. Comparable figures for 1970 were: CMHC, \$903.4 million for 65,358 units and 9,780 hostel beds; approved lenders, \$816.6 million for 50,936 units and 2,830 beds.

Chartered banks, with a gross investment of \$694 million were the most active of the approved lenders, followed by trust companies at \$413.5 million. Life insurance companies had an investment of \$184.5 million with loan and other agencies totalling \$323.9 million.

Conventional financing of new and existing residential construction in 1971 grossed \$1,963 million for 146,977 units, compared to \$1,182.8 million for 99,826 units in 1970.

**Borrower and house characteristics.** The average family income of purchasers of NHA-financed houses in 1971 was \$12,005. These incomes were 1.5% higher than the corresponding averages for purchasers in 1970, appearing to be in line with the general increase in incomes in 1971. As in previous years, relatively few purchasers of NHA houses (10.7% in 1971 and 5.3% in 1970) were drawn from the lower third of the range of family incomes.

The average age of purchasers of NHA houses was 32.7 years in 1971 compared to 33.2 in 1970. In 1971, just over one half of the purchasers had two or more children and 24.7% had previously been home-owners.