CENTRAL MORTGAGE AND HOUSING CORPORATION
ECONOMIC RESEARCH DIVISION

MORTGAGE LENDING IN CANADA

A FACTUAL SUMMARY

1947

OTTAWA, CANADA

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CONTENTS

FOREWORD

Mortgage Lending in Canada, 1947 is the first of a series of annual reports by this Corporation to provide information on the volume, source and purpose of real estate financing in Canada. This report deals with current corporate financing operations. During 1947 some 122 lending institutions, including life and fire insurance companies, loan and trust companies, fraternal and mutual benefit societies and pension fund associations have been reporting the volume and type of their real estate lending operations. This volume represents about 95 per cent of all lending activity undertaken by these types of companies.

The information is provided by economic classification separating mortgage loans on (a) new construction and existing real estate, (b) housing and other real estate, (c) non-farm and farm property, and (d) real estate by regional classification. The data are assembled in tabular form for the year 1947 and summarized in the preceding text.

Particular attention is paid to mortgage financing of housing. It has been possible to assemble sufficient data to show the different sources of funds which finance the Canadian housing program. Corporate lending as part of the effort to increase the supply of houses is assessed.

The report is in three parts. The first part deals with the scope and coverage of mortgage lending, the trend and volume of institutional real estate lending, and the financing of the housing program in 1947. The second part consists of the tabular material assembling the statistical detail of the surveys. The third part deals with definitions and sources. Because this is an annual report and more current information is desirable, a brief reference to current mortgage operations on a monthly basis will be shown during the year in *Housing in Canada*, issued quarterly by the Corporation.

This represents our first attempt to provide information on real estate financing in Canada. Much remains to be done. We would like to expand the surveys of the volume of real estate financing into other corporate and non-corporate fields, and information on the conditions of mortgage lending, such as the rate of interest, length of amortization period, requirements for equity would be helpful. It is part of our long term research program to remedy the deficiencies that exist today in our knowledge of mortgage lending.

This report was made possible only by the co-operation of 122 lending institutions which provided information on their mortgage lending operations. Valuable assistance was provided by the Dominion Mortgage and Investments Association which co-operated in the assembly of the statistical data. The report was prepared by Dr. O. J. Firestone, Research Adviser to the Corporation, assisted by Mr. W. G. Lawrence.

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Central Mortgage and Housing Corporation.

Ottawa, May, 1948.

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PART I

FACTUAL SUMMARY

SECTION 1.—SCOPE AND COVERAGE OF MORTGAGE LENDING

A mortgage is an encumbrance on real estate serving as security for an unpaid claim. It is in effect a charge on the property until the claim is paid or full default is established. The origin of the claim for which the property serves as security will vary. It may be a loan made by the mortgagee to the mortgagor, or it may be the result of another type of contractual obligation, e.g. a lien securing the vendor of property with respect to the outstanding portion of the sales price, or statutory obligation, e.g. a lien arising from non-payment of property taxes. This report is concerned primarily with the scope and measurement of the volume of mortgage loans made by lending institutions in Canada. Some brief reference is also made to agreements for sale, particularly where only aggregate statistics are available.

Mortgage loans form an important part of the national credit system, which in turn is essential to the proper functioning of modern industralized society. As past experience shows, the availability of credits and its terms may have significant effects upon economic activity. To isolate some of these effects as they result from mortgage lending and make their measurement practical some kind of economic classification of mortgage lending is needed. While many classifications are possible, two have been selected for this study: (1) a source of funds classification which indicates who lends the money, and (2) a use of funds classification, which indicates what the borrower is doing with the money.

Source of Funds Classification

Money is loaned on the security of mortgages by public and private institutions, agencies and groups. For convenience the main sources of mortgage funds are summarized in Schedule A.

Public Mortgage Lending

Public mortgage lending is carried out in Canada by the Federal and provincial governments under various statutes (Items 1 to 3, Schedule A). To mention a few Federal provisions: loans for new residential construction are made under the National Housing Act, 1944 (1), money for industrial purposes is loaned by the Industrial Development Bank (2), and farm mortgage loans are made by the Canadian Farm Loan Board (3). Provincial lending includes operations under farm loans acts in existence in most provinces in Canada, including Nova Scotia, Quebec, Ontario, Manitoba and Saskatchewan, and housing acts in existence in Quebec and Ontario. Some publicly-owned utilities are also in the mortgage field on a small scale, for example, the Canadian National Railways as part of their land settlement program are disposing of some of their real estate holdings and are accepting mortgages for the outstanding portions of the sales price. More often the agreement for sale technique is used which serves the same purpose.

Private Mortgage Lending—Individual

Private mortgage lending is being undertaken by individual and corporate lenders. Individual mortgage lenders are persons who invest their savings

(1) 8 Geo. VI, Chap. 46, as amended by 9-10 Geo. VI, Chap. 26 and 10 Geo. VI, Chap. 61, and *Annual Report to the Minister of Reconstruction and Supply for the Year 1947*, Central Mortgage and Housing Corporation, Ottawa, February, 1948.

(2) 8 Geo. VI, Chap. 44 and *Annual Report to the Minister of Finance, Fiscal Year 1947*, Industrial Development Bank, Ottawa, December, 1947.

(3) R.S.C. 1927, Chap. 66 as amended by 24-25 Geo. V, Chap. 46 and 25-26 Geo. V, Chap. 16, and *Annual Report to the Minister of Finance, Fiscal Year 1947*, Canadian Farm Loan Board, Ottawa, December, 1947.

SCHEDULE A.—SOURCE OF FUNDS AND USE OF FUNDS CLASSIFICATION OF MORTGAGE LENDING IN CANADA

Item No.	CLASSIFICATION
	Source of Funds Classification
	Public
1	Federal Government
2	Provincial Governments
3	Total Public (Items 1 + 2)
	Private — Individual
4	Persons
5	Trusts (Estates, Minors and Other Persons under Legal Disability)
6	Sub-total (Items 4 + 5)
	Private — Corporate (1)
7	Life Insurance Companies(2)
8	Loan Companies(2)
9	Trust Companies (excluding Trust, Agency and Estate Funds)(2)
10	Fraternal Societies (including Mutual Benefit Societies and Pension Fund Associations)(2)
11	Fire Insurance Companies(2)
12	Chartered Banks(3)
13	Co-operatives (Credit Unions)(4)
14	Other Business Groups(2)
15	Sub-total (Items 7 to 14 inclusive)
16	Total Private (Items 6 + 15)
17	GRAND TOTAL (Items 3 + 16)
	Use of Funds Classification
	Non-Farm — New Construction
18	Residential — Single Dwellings
19	Residential — Multiple Dwellings
20	Sub-total (Items 18 + 19)
21	Other Real Estate
22	Total (Items 20 + 21)
	Non-Farm — Existing Property
23	Residential — Single Dwellings
24	Residential — Multiple Dwellings
25	Sub-total (Items 23 + 24)
26	Other Real Estate
27	Total (Items 25 + 26)
28	ALL NON-FARM (Items 22 + 27)
	Farm — New Construction and Existing Property
29	Residential and Other Purposes
30	GRAND TOTAL (Items 28 + 29)

(1) Another classification is to call companies listed under Items 7 to 13 "institutional" lenders and under Item 14 "occasional" lenders.
(2) Under Dominion or provincial supervision.
(3) Under Dominion supervision.
(4) Under provincial supervision.

on the security of mortgages. Mortgages are also obtained on the occasion of a sale of property to safeguard some of the purchase price outstanding resulting from the sales contract. The term "individual" is used here in a broad sense to include both loans made by persons acting on their own or through their agents, and trusts acting for estates, minors and other persons under legal disability (Items 4 to 6, Schedule A). In effect, then, individual lending covers all private lending activity which is not specifically corporate.

Private Mortgage Lending—Corporate

Among corporate lenders a distinction can be made between institutional lenders covering those who either lend money or arrange for the lending of money as part of their continuing business operations, and occasional lenders covering those whose lending activity is only incidental to their regular business activity. Institutional lenders comprise life insurance companies, loan and trust companies, fraternal societies, including mutual benefit societies and pension fund associations, fire insurance companies, banks and co-operatives (credit unions) (Items 7 to 13, Schedule A). The second group includes other business groups making occasional mortgage loans (Item 14, Schedule A). For example, a business firm may invest some of its reserves in mortgage bonds (see page 13) or a company may help another firm to get established by financing some of the initial capital cost of plant construction and purchase of machinery and equipment. There will be many ways in which the investing company can secure its loan. One way would be to take out a mortgage on the business real estate of the borrowing company. Also falling into this category are land corporations, as, for example, Hudson's Bay Company, which in disposing of some of its property may take a mortgage for the outstanding portion of the sales price or dispose of the property by way of an agreement for sale.

Of the seven types into which institutional lenders have been divided, five groups, including life insurance companies, loan and trust companies, fraternal societies and fire insurance companies, are under Dominion or provincial supervision, one group, chartered banks, under Dominion supervision, and one group, co-operatives, under provincial supervision. While all these lending institutions are engaged in one or the other type of mortgage lending, their operations are subject to certain regulations and in some instances restrictions, as in the case of the chartered banks. Government supervision for the last two mentioned groups of institutional lenders is governed by Sections 91 and 92 of the British North America Act, but in the case of the first five groups the companies concerned have the choice of Dominion or provincial registration[1]. Broadly speaking, companies obtaining Dominion registration are firms planning to operate on a national scale, while companies created by provincial statutes concentrate more on regional operations. However, a company with provincial incorporation is

(1) The Dominion supervision of lending institutions is carried out under five statutes: *The Canadian and British Insurance Companies Act* (22-23 Geo. V., Chap. 46), *The Foreign Insurance Companies Act* (22-23 Geo. V, Chap. 47), *The Loan Companies Act* (R.S.C. 1927, Chap. 28), *The Trust Companies Act* (R.S.C. 1927, Chap. 29), and *The Bank Act* (8 Geo. VI, Chap. 30). Corresponding statutes are in operation in most of the provinces regulating the activity of life insurance companies, loan and trust companies, fraternal societies, fire insurance companies and co-operatives.

not necessarily confined to operations within the provincial boundaries. It can extend its activity by obtaining a license to operate in another province or seek incorporation by another province. In fact, some provincially registered companies carry out up to about one-half of their operations in neighboring provinces. The five types of lending institutions referred to above comprise 154 companies making loans on real estate in 1946. Of these, 80 were under Dominion registration and 74 under provincial registration. The bulk of the mortgage business or about four-fifths was done by companies with Dominion registration (see Table 1). Lending institutions making mortgage loans use partly their own funds, partly the funds of policy holders, depositors, investors or members over which they are given control. The financial structure of lending institutions engaged in mortgage lending as well as their participation in this field varies considerably.

Life Insurance Companies (Item 7, Schedule A). These companies obtain funds for investment from policyholders. For the purpose of this report there is no real distinction between a mutual and a stock company nor whether the life insurance company handles sickness and accident insurance. During the last few years the life insurance companies have become increasingly active in the real estate lending field.

Loan [1] *and Trust Companies* (Items 8 and 9, Schedule A). These institutions obtain their funds from savings deposits of their clients and re-invest these together with their own funds in a variety of securities including mortgages on real estate. In the case of trust companies, they also handle trust, agency and estate funds on behalf of individuals, minors and other persons under legal disability, and estates. Loan and trust companies have within the legal limitations prescribed by statute a free choice over the type of investment they select. But in the case of trust, agency and estate funds, the investment decisions of trust companies are much more limited, placing the companies more into the role of an agent acting on behalf of persons. It is for this reason that mortgage loans made out of trust, agency and estate funds are listed under individual mortgage lending (Item 5, Schedule A), and not under corporate loans (Item 9, Schedule A). Trust and loan companies are quite active in the real estate lending field.

Fraternal Societies (including Mutual Benefit Societies and Pension Fund Associations) (Item 10, Schedule A). Fraternal societies operate on the basis of an open contract by which members are assessed the cost of operation and actual risk. There are no shareholders in this type of corporate body. Members have unlimited liability inasmuch as the assessment may be raised or benefits to members reduced in the case of losses being incurred. Mutual benefit societies and pension fund associations are corporate bodies of the same type as fraternal societies, the only difference being the purpose to which they are devoted. In this report, the term "pension fund association" refers to corporate bodies and does not cover pension fund societies organized in industrial plants where both the employer and employee are joint contributors to a pension plan. Mortgage lending

(1) **Some loan companies are also referred to as mortgage companies.**

by fraternal societies, including mutual benefit societies and pension fund associations is moderate.

Fire Insurance Companies (Item 11, Schedule A). Fire insurance companies, like life insurance companies obtain funds for investment from premiums from policy holders. However, funds available for investment are a much lower proportion of premium income than is the case for life insurance companies. Generally, only a small portion of the assets of fire insurance companies is invested in loans on real estate.

Chartered Banks (Item 12, Schedule A). Banks are by law prohibited from lending money secured in the first instance by mortgages on real estate[1], but they can accept mortgages on real estate as secondary security against an existing loan[2]. Further, they can accept a mortgage for the outstanding portion of the sales price of a property sold by them [3]. Finally, banks are also permitted to hold mortgages resulting from loans under the Farm Improvement Loans Guarantee Act, 1944[4]. Because of the statutory restrictions placed on the chartered banks, their direct holdings of mortgages is comparatively small. The banks' major contribution to financing of real estate lies in the industrial and commercial field through purchases of serial bonds and debentures. Normally, the underlying security behind these is a mortgage on the land, buildings, machinery and equipment of the borrower.

Co-operatives (Credit Unions) (Item 13, Schedule A). There are many types of co-operatives but only credit unions make mortgage loans as part of their continuing business operations. Credit unions are corporate bodies with operations restricted within geographical (usually a parish, or municipality and its environs) or occupational limits (e.g. miners, farmers, fishermen). The liability of the members of credit unions is limited. Operating funds are obtained either by subscription, fees or deposits of members of credit unions. Mortgage lending by credit unions has in certain parts of Canada achieved increasing significance in recent years.

This listing of institutional lenders is confined to those engaged in making ordinary mortgage loans. There is another type of loan made on the security of real estate which differs in form, though not necessarily in its purpose, from an ordinary mortgage. This is a mortgage bond or other type of bonded indebtedness, where the fixed property of the debtor serves as a prime security for the unpaid claim. The main difference between a mortgage bond and an ordinary mortgage loan is that the latter is usually held by one person or corporate body, while mortgage bonds represent transferable securities frequently held by a number of investors. A further difference as far as the institutional investor is concerned is that bonds may be issued up to 100 per cent of the value of the fixed security, whereas the amount of a mortgage loan is for most companies restricted to 60 per cent of the appraised value of the property serving as security [5]. The sale of mortgage bonds is subject to the provisions which guide the operations of security

(1) *The Bank Act*, (8 Geo. VI, Chap. 30), Section 75 (2) (c).
(2) Ibid. Section 79 (1) (a).
(3) Ibid. Section 78 (1).
(4) Ibid. Section 88 (h) (iv).
(5) In the case of loans made under the National Housing Act, 1944, the lending institution's share may be as high as 67.5 per cent of the appraised value.

exchanges on which the securities are sold or purchased. But not all mortgage bonds are sold through exchange channels. Some might be sold through agents or intermediaries or directly by the company issuing the bonds to the group acquiring them Lending secured by mortgage or other types of bonds may be classed as individual or corporate lending, depending on who makes the investment by purchasing the bonds. Because of the easy transferability of bonds it is difficult to ascertain separately the amount of holdings by private individuals and corporations. The statistical part of this report is concerned only with an appraisal of the ordinary mortgage loans made by lending institutions in Canada.

Use of Funds Classification

A use of funds classification is designed to indicate the end use of funds that may move from one sector of the economy to another. Perhaps the most important distinction in classifying mortgage funds is the separation of loans for new construction from loans on existing property. The significance of this classification lies in the fact that mortgage loans for new construction involve the purchase of goods (e.g. building materials and equipment) and services (e.g. fees of contractors and architects and wages of construction labour), thus directly affecting levels of employment and income. Mortgages on existing real estate including the refinancing of existing debts represent transfers of funds from one holder in the economy to another without necessarily having immediate and direct effects on economic activity.

Another classification of significance is the separation of farm loans from non-farm loans. This distinction is desirable in view of the differentiation in credit terms as between farm and non-farm property.

Another useful classification is the differentiation between loans on residential real estate and other loans mainly for business purposes. The former are loans for durable goods which provide services directly to the consumer, i.e. the occupancy of the dwelling. The latter are loans for durable goods which provide services to entrepreneurs, i.e. they are for capital equipment used by the business community in the process of producing goods or providing services for both other producers and/or consumers. This classification also has the advantage that it makes it possible to indicate the role of institutional mortgage lending as a factor in the national housing program (see Section 4).

A further subdivision of the last mentioned classification is the division of loans for residential real estate into loans for single and multiple dwellings. This distinction presents an approximation of mortgage lending for housing for owner occupancy and rental purposes.

Bearing these needs in mind the following classification has been adopted in this report (see Items 18 to 30, Schedule A).

Non-Farm—New Construction

This group is separated into mortgage loans for residential property—single dwellings (Item 18, Schedule A) and multiple dwellings (Item 19, Schedule A). The combination of these two items yields all residential mortgage loans for new construction (Item 20, Schedule A). Adding to this mortgage loans for other types of real estate, mainly business (Item 21, Schedule A), provides total mortgage lending for new construction in non-farm areas (Item 22, Schedule A).

Non-Farm—Existing Property

This group is classified in exactly the same way as mortgage lending on new construction. This has the advantage of making it possible to obtain aggregates of particular components. For example, all lending for residential purposes in non-farm areas covering both new construction and existing property is simply the total of Items 20 and 25, or all lending for real estate other than housing in non-farm areas in the sum of Items 21 and 26. Total non-farm lending, Item 28, is the aggregate of Items 22 and 27.

Farm—New Construction and Existing Property

Only one total is shown for farm loans. The reason for not attempting a separation of farm loans into the same components as are obtained for non-farm lending lies in the fact that farm loans are frequently "mixed" loans. For example, a mortgage may be taken out to purchase an existing property *and* to improve the buildings thereon. A farm mortgage may be taken out to build a new house on the farm *and* expand the barn at the same time. If farm mortgages (Item 29, Schedule A) are added to all non-farm mortgages (Item 28, Schedule A), the total for all mortgage lending by the lending institutions covered by the present survey is obtained (Item 30, Schedule A).

Coverage of the Survey

To indicate what role private corporate mortgage lending plays as part of the whole it is necessary to know the total volume of mortgage lending both public and private (individual and corporate) for a given period. At present basic data available are insufficient to make such a comprehensive estimate. An attempt is being made in this report as a first step towards remedying this deficiency to indicate for one segment of total mortgage lending, namely housing, the rôle which institutional lending plays in this field (see Section 4).

Some more light can be shed on the subject of coverage if the discussion is narrowed down to the volume of real estate financing by institutional lenders (Items 7 to 13, Schedule A). There are seven types of companies in this group. The lending operations of five have been covered during 1947 on the basis of a continuing monthly survey. The mortgage lenders covered include life insurance companies, loan companies, trust companies excluding trust, agency and estate funds, fraternal societies including mutual benefit societies and pension fund associations, and fire insurance companies. Not included at present are banks and co-operatives (credit unions). But there is sufficient over-all information available to indicate that the five groups of companies covered did about 85 per cent of all institutional mortgage lending in Canada.

More detailed information is available on the operations of the companies covered in the survey, and on the numbers of companies actively engaged in mortgage lending and companies which have mortgage loans outstanding but are not active in the field presently. Information is also available on the coverage of the data obtained through the monthly survey as a proportion of all companies currently making mortgage loans. Pertinent data are assembled in Tables 1 and 2 in Part II.

Briefly, there were 897 lending institutions covering the five groups mentioned above in existence on December 31, 1946. Of these, 656 were not in the mortgage lending field. The remaining 241 held mortgage loans outstanding to the amount of $611 million. Companies making loans in 1946, numbering 154, held $598 million, or over 98 per cent of the amount of mortgage loans outstanding, while 87 institutions which were making no mortgage loans held the remaining $13 million outstanding (see Table 1). The latter group was comprised mainly of small companies and institutions liquidating their real estate holdings.

Of the total mortgage loans outstanding at the end of 1946, involving $611 million, life insurance companies held $368 million, or about 60 per cent of the total. Another $152 million, or 25 per cent were held by loan companies, followed by trust companies with $70 million, or 11 per cent, fraternal societies with $19 million, or 3 per cent, and fire insurance companies with $2.5 million, or less than half of 1 per cent.

Of the 154 companies making mortgage loans in 1946, 122 participated in the monthly survey of mortgage lending during 1947. The coverage of the monthly survey, which is discussed in detail in Section 3, is as follows: coverage in terms of the number of institutions, 79 per cent, in terms of loans outstanding as at December 31, 1946, 93 per cent, and in terms of loans made during 1946, 95 per cent. The coverage is highest for life insurance companies, 99.9 per cent of loans made during 1946, and lowest for fire insurance companies, 80.3 per cent of loans made in 1946 (see Table 2).

SECTION 2. — TRENDS OF INSTITUTIONAL MORTGAGE LENDING

Comparability of Historical Data

Some historical information is required as a background to the appraisal of current institutional mortgage lending provided in Section 3.

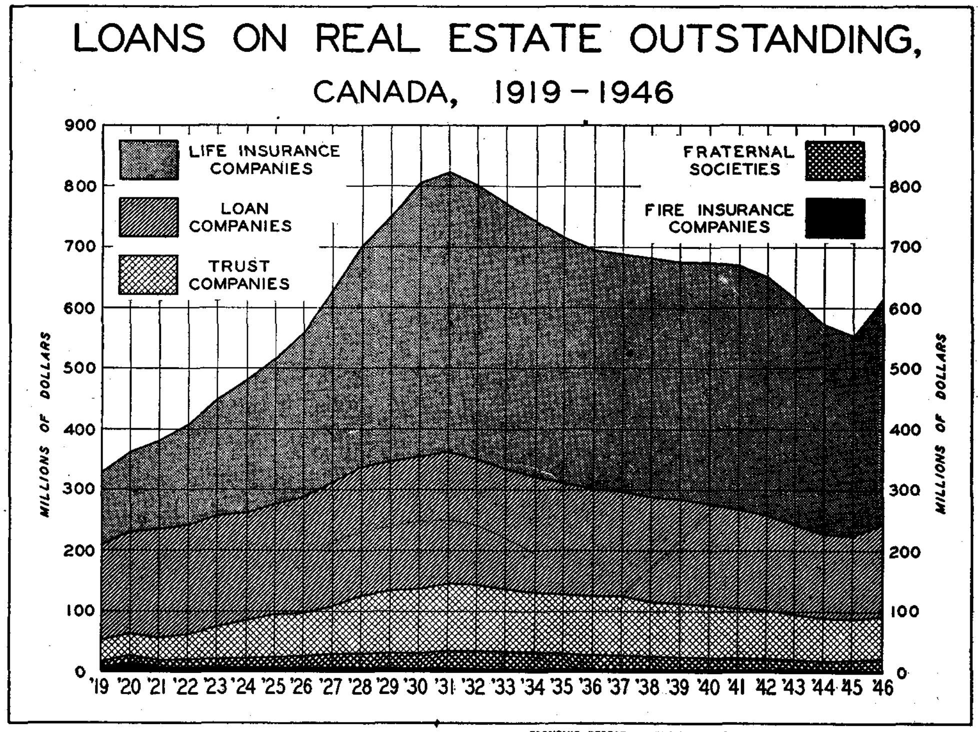
The data on the volume of mortgage lending expressed in terms of cash disbursements on mortgage loan account, and gross and net value of mortgage loans approved, were collected for the first time in 1947. Precisely comparable data are not available for back years but an indication of mortgage lending trends for the years 1919 to 1946 can be obtained from records on mortgage loans outstanding at the end of each year during this period.

Data on mortgage loans outstanding are available for the five types of lending institutions (Items 7 to 11, Schedule A) surveyed in Section 3. The data are assembled in Tables 3 to 6 in Part II showing for the period 1919 to 1946 loans and net changes of loans on real estate outstanding by type of lending institution and by registration of lending institution. The series reflects substantially the behavior of mortgage loans for new construction and for sale of property, although it also covers agreements for sale. In terms of dollar volume, the latter are of minor significance. For example, data on mortgage portfolios held by lending institutions with Dominion registration, for which separate information is available as between mortgage lending on real estate and agreements for sale, indicate that the latter comprise only 7 per cent of the total loans on real estate outstanding at the end of 1946.

The series reflects the net position of mortgage lending activity at the end of each year in the period under review. The trend is the result of two forces at work: (a) expansion of mortgage portfolios due to making new loans on real estate, refinancing of existing mortgages or taking of mortgages on the occasion of sales of property including agreements for sale; (b) contraction of mortgage portfolios due to repayment or default of mortgages resulting in the acquisition of properties by the mortgagee and/or partial write-off of mortgage loans outstanding.

As a result, there are serious difficulties in interpreting the existing series. For example, new mortgage loans may have been made involving $50 million in one year, with repayments and defaults of $40 million in the same year, yielding a net increase in the aggregate mortgage portfolio of $10 million. In the next year new mortgage business may have amounted only to $35 million, and repayments and defaults to $20 million, indicating a net increase of $15 million. On this basis the series would indicate a larger volume of lending activity in the second year, while in fact it occurred in the first year.

FIGURE 1



ECONOMIC RESEARCH DIVISION, CENTRAL MORTGAGE AND HOUSING CORPORATION.

Mortgage Lending, 1919 - 1946

During the period reviewed 374 lending institutions covering life insurance companies, loan and trust companies, fraternal societies including mutual benefit societies and pension fund associations, and fire insurance companies were engaged in mortgage lending on real estate. By the end of 1946, 95 of these had gone out of business while 279 companies were still in existence. Of those continuing operations, 38 left the mortgage field completely, 87 still had loans on real estate outstanding but made no loans in 1946, while the remaining 154 institutions continued to be active in the real estate lending field by making mortgage loans during 1946.

From 1919 to 1931 these lending institutions increased their mortgage portfolios continuously, more than doubling their holdings from $327 million to $822 million in this thirteen-year period. In the following fourteen years the mortgage holdings declined gradually until in 1945 they reached their lowest point with $553 million, about the same amount as was outstanding in 1926. The arrival of peace saw a turning point of the downswing phase, and holdings increased in 1946 to $611 million, at an annual rate comparable to the two years of highest real estate lending activity in 1927 and 1928.

In interpreting the continuous decline in mortgage loans outstanding from 1932 to 1945 some caution is necessary. Available information leads to the tentative conclusion that these changes were due to different economic causes for broadly two segments of the period: (a) During the years preceding the commencement of World War II incomes were comparatively low and unemployment high. Many mortgagors defaulted, lending institutions had to take over properties, and a number of lending institutions attempted to reduce their mortgage portfolios as much as possible with the least possible loss. (b) During the war period, in spite of wartime restrictions, building operations became more active providing opportunities for new mortgage business. However, as the level of employment increased rapidly, and national income doubled in the short space of six years, a considerable number of mortgagors began to pay off their outstanding loans at a more rapid rate than anticipated by lending institutions. At the same time a smaller proportion of available funds—though still substantial in absolute terms—was channelled into mortgage loans as lending institutions endeavoured to support the government's war financing program. These factors resulted in a net withdrawal of funds from the mortgage lending field. Thus, two different sets of economic conditions prevailed in the period, which if judged solely by the behavior of mortgage loans outstanding indicate a period of continuously declining lending activity on real estate.

Differences in Lending Policies

Totals for all lending institutions hide the fact that many lending institutions, or even groups of lending institutions, pursued varying policies at different times.

Some individual companies discovered that in periods of low levels of employment and income, mortgage lending, particularly on new property, was a good risk in cases of reliable mortgagors, because building costs and market prices of real estate were low at that time and would tend to rise as economic conditions improved. As a result the property serving as a security of the loan would be worth more. Further, the current income of the mortgagor was likely to increase as general levels of employment and income improved, providing for added security. Other companies which were comparatively new in the real estate lending business would aim at maintaining the level of their lending operations in order to strengthen their competitive position looking forward to times of high national income when loan funds would be more plentiful than in depressed periods.

As a group, life insurance companies seem to have reversed their policy of cutting back mortgage portfolios sooner than some of the other major groups. For example, life insurance companies expanded operations during 1938 to 1941 at a time when mortgage loans outstanding held by *all* companies covered in the survey tended to decline. An adequate analysis of the reasons for changes in the investment portfolios of lending institutions would require a great deal of additional information such as the present composition of investment portfolios, total funds available for investment by lending institutions, alternatives in investment opportunities, current levels of employment, income and investment in physical durable assets, and anticipated changes in the level of economic activity. Such analysis remains a task for the future.

Companies with provincial registration, which include many of the smaller lending institutions in Canada and which are frequently concerned only with lending operations in one particular region, show for a few years a different trend of operations if compared with companies under Dominion registration, most of which operate on a national scale. For example, the former show an increase of mortgage loans outstanding at the end of World War II, while companies with Dominion registration continued to reduce their mortgage portfolios. While such a comparison is interesting because it may reflect the different trends between companies operating on a national scale and companies operating on a regional scale, the value of the observations is impaired by the fact that over a period of time the lines between Dominion and provincially registered companies become more fluid. There is, for example, a continuing process of amalgamation resulting in some companies with provincial registration being absorbed by larger companies with Dominion registration.

Bearing these qualifications in mind, it would be more satisfactory for an analysis of the trend of mortgage lending and its effect on economic activity to have information on cash disbursements on mortgage loan account and gross and net mortgage loans on real estate approved of the type of data that are available for 1947. In the absence of these more comprehensive statistics for the back period only broad indications of trends are possible at present.

SECTION 3. — VOLUME OF INSTITUTIONAL MORTGAGE LENDING IN 1947

Variations of Measurement

As explained in more detail in Part III, the volume of mortgage operations during 1947 is measured for the year as a whole and by regions in three ways: (1) cash disbursements on mortgage loan account, (2) gross mortgage loans on real estate approved, and (3) net mortgage loans on real estate approved. Additional information providing an economic classification of mortgage lending on a monthly basis is obtained for gross mortgage loans on real estate approved. A brief explanation of the three different methods of measurement of mortgage volume follows:

(1) *Cash Disbursements on Mortgage Loan Account.* These involve the actual amounts paid out against mortgage loan commitments by lending institutions during a year irrespective of whether the loans were approved in the current year or in a previous period and whether the payment reflects the full or part of the loan amount agreed upon.

(2) *Gross Mortgage Loans on Real Estate Approved.* These reflect the total amounts of mortgage loans on real estate approved during the year irrespective of whether the amount of mortgage loans was later altered or the loans not taken up and whether the mortgage loans are paid out in full or in part.

(3) *Net Mortgage Loans on Real Estate Approved.* These are gross loans approved during the year minus cancellations or alterations of mortgage loans effected during that year irrespective of whether initial approval was made during the year or in a previous period and whether the mortgage loans are paid out in full or in part.

The varying statistical results obtained by using these three different techniques of measurement are brought out in Tables 8 and 9. Gross loans approved for 1947 numbered 44,385, involving $258 million, or 15 per cent more than the $224 million of net loans approved for 39,760 mortgages. Cash disbursements on mortgage loan account which in part reflect loan approvals in the preceding year are lower still, amounting to $205 million (1). In the absence of comparable information for a number of back years the value and the meaning of the different sets of data as indicators of real estate behaviour can only be indicated in a general way. Broadly speaking, and subject to further testing,

(1) No information is available on the number of mortgages against which cash disbursements have been made during the year. The number of payments made do not reflect the number of loans because of the practice at times of making payments in instalments.

loan approvals are likely to be larger than cash disbursements in times of increased mortgage activity and smaller in periods of declining activity. The reason for this would be the time lag that may exist between the approval and the disbursement of a loan, particularly if the latter is made in instalments as is frequently the case when loans are approved for new construction(1). The relationship between gross and net loans is likely to change also, mainly because cancellations and other adjustments are likely to be larger in times of disturbed economic conditions than under more stable conditions. However, except for special circumstances such differences might tend to cancel out over long periods of time.

Cash Disbursements on Mortgage Loan Account

Comparable figures for 1946 and 1947 are available only for cash disbursements on mortgage loan account. Reports from the 122 lending institutions participating in the survey indicate a substantial increase in the mortgage business during the last year. Cash disbursements on mortgage loan account made by these companies amounted to $205 million in 1947, as compared with $141 million in the preceding year, a rise of 45 per cent (see Table 7). The most important contribution to the increase in lending activity came from life insurance companies, which increased their total operations by some 58 per cent. Mortgage lending of loan and trust companies showed lesser increases of 23 and 27 per cent respectively. Fraternal societies, including mutual benefit societies and pension fund associations, increased their activity by 13 per cent. Fire insurance companies showed the largest relative increase (185 per cent), but because of the small absolute volume of mortgage lending by this group the rise does not materially affect the overall volume of operations. Because of the proportionately greater increase of mortgage lending by life insurance companies, their share of the total amount disbursed rose from 63 per cent in 1946 to 68 per cent in 1947.

Gross Mortgage Loans Approved, by Type of Loan

An appraisal of the economic effect of mortgage lending operations in 1947 and the type of loan involved brings several important factors to light (see Table 10).

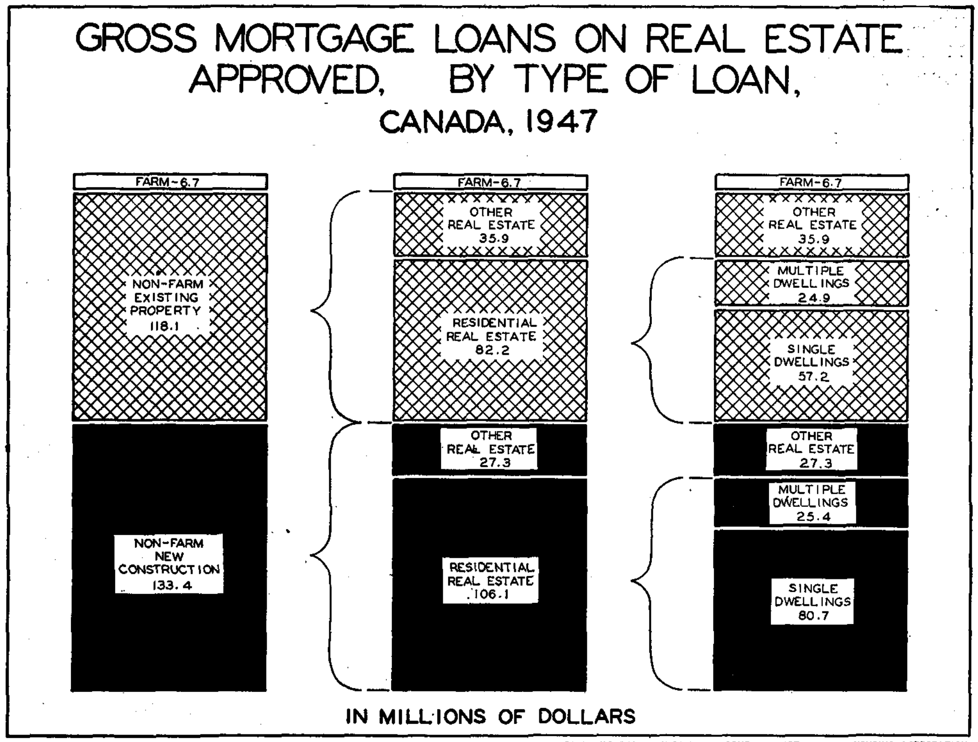
(1) Mortgages on farm property comprise only a small proportion of institutional lending activity. Of the total of 44,385 loans involving $258 million, only 1,560 loans amounting to $6.7 million were approved on farm property. Mortgages for non-farm property numbered 42,825, accounting for $251 million.

(2) More money is being lent for the construction of new buildings than is made available for mortgages on existing real estate. Gross mortgage loans approved for non-farm new construction numbered 20,657, amounting to $133 million as compared with 22,168 loans for $118 million for existing property in non-farm areas.

(3) The overwhelming bulk of mortgage lending is for residential real estate. This is true for both new construction and existing property, where housing loans make up 80 per cent and 70 per cent respectively of the total

(1) Another factor contributing to the discrepancy between gross mortgage loans approved and cash disbursements on mortgage loan account is due to cash disbursements made on mortgage loans approved under the National Housing Act, 1944, comprising only 75 per cent of the loan amount agreed upon, with the remaining 25 per cent being advanced by the Central Mortgage and Housing Corporation and therefore not included as payments by private lending institutions.

FIGURE 2



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amount of mortgages on non-farm property. Non-farm housing loans numbered 40,291 and involved $188 million, as against 2,534 loans for $63 million on other real estate financed, mainly business property.

(4) The average mortgage loan for real estate other than housing is considerably higher than that for residential property. The housing average was $4,674 as compared with $24,915 for other real estate. The average farm loan was $4,282.

(5) Mortgage loans on new housing units are much higher on the average than those for existing residential dwellings. Mortgages for new housing in non-farm areas involved $106 million for 25,582 dwellings, or an average of $4,149 per unit. Loans on existing residential real estate amounted to $82 million, involving 31,866 units, or an average of $2,579. (The average loan per unit differs from the average housing loan because the latter covers more than one unit).

(6) Mortgages on single dwelling units are much more numerous than for multiple units, indicating lesser activity in the rental field than for owner-occupancy housing. Of the total 57,448 units for which mortgages were approved in 1947, 35,823 were single units and 21,625 multiple units. Mortgages for single units were much higher than those for multiple units. The average single unit newly constructed had a mortgage loan of $4,545 against $3,249 for the multiple unit. The average mortgage for existing residential real estate was lower: $3,171 for the single unit and $1,805 for the multiple unit.

Gross Mortgage Loans Approved, by Type of Lending Institution

The difference of lending practices and the varying composition of mortgage investment portfolios of the groups of lending institutions under review appear to be influenced by the amount of money which each group has available for investment in the mortgage field. Fire insurance companies by the very nature of their business, with relatively short term policyholder contracts and a high liquid asset requirement, are hesitant in entering the mortgage market, where the instruments lack ready marketability and are often in inconvenient denominations. This type of lending institution with gross loans approved amounting to only $1.1 million out of a total of $258 million favours investment in high value multiple unit dwellings and other non-farm real estate of a commercial or industrial nature. The desirable feature of investment in this type of property from the point of view of the relatively small investor is that large loans on high value property mean proportionately less detail in the acquistion and servicing than where the average size of the loan is smaller. Fraternal societies pursue a somewhat similar investment policy. On the other hand, life insurance, trust and loan companies, with proportionately much larger amounts to invest, are able to diversify their lending activities to a greater extent and to spread their loans on real estate more evenly over all types of property. For this reason some difficulties are encountered in comparing the lending operations of life insurance, trust and loan companies with those of fraternal societies and fire insurance companies. In the following observations, direct comparisons are made only of the activities of the life insurance, loan and trust companies, with reference being made to the other two groups of lending institutions where appropriate. The statistical detail of the operations of all five groups of lenders is shown in Table 10.

(1) Life insurance companies made more loans for new construction than on existing property. For every dollar loaned on existing property this type of company approved $1.57 for new construction. Corresponding figures for fire insurance companies, $2.79, and fraternal societies, $1.29, also show a preference for new construction. The reverse is true for trust and loan companies, which for every dollar mortgage on existing property lent only 34 cents and 53 cents respectively for new construction.

(2) Life insurance companies are more interested in making loans on residential real estate than any other of the groups surveyed. For every dollar mortgage on real estate other than residential, $2.84 go into housing. Comparable figures for loan companies are $2.54, and for trust companies $2.51. The amounts for fraternal societies, including mutual benefit societies and pension fund associations, and fire insurance companies are somewhat lower, being $1.85 and 41 cents respectively.

(3) Fire insurance companies make the highest average loan, $20,704, among the five groups of lending institutions surveyed. As stated above, the small volume of operations indicates that these companies have concentrated on a few larger projects rather than the more diffused operations of the larger lenders. To a lesser extent the same applies to fraternal societies which also make a high average loan, $8,631. Of the remaining three groups, the life insurance companies make higher average loans, $6,692, than loan companies, $4,338, and trust companies, $4,131.

(4) Of the three groups of lending institutions which reported the bulk of the loans approved during the year, life insurance companies made larger loans for new housing than the other two groups. The average per unit is $4,317 for

life insurance companies, $3,560 for loan companies and $3,014 for trust companies. The comparable figure for fire insurance companies is high, $4,771, and that for fraternal societies slightly lower, $4,173. The position is somewhat different for loans on existing residential real estate as shown by the following averages: trust companies, $2,780, life insurance companies, $2,745, loan companies, $2,251, fire insurance companies, $4,818, and fraternal societies, $2,485.

(5) Life insurance companies are more likely to finance new construction of rental property than either trust or loan companies. If multiple units are taken as an indicator of the occupancy status of housing (some single units financed by lending institutions may be for rent but most are for owner occupancy), life insurance companies lent 37 cents on multiple units for every dollar of mortgage on single units while loan companies lent 34 cents and trust companies only 19 cents. With the bulk of their loans for the construction of residential property channelled into multiple unit housing, the corresponding figures for fire insurance companies, $4.57, and fraternal societies, $2.39, are considerably higher.

Gross Mortgage Loans Approved, by Registration of Lending Institution

Lending institutions with Dominion registration held about three-quarters of the amount of loans on real estate outstanding as at the end of 1946 (see Table 5). Their share of the total mortgage lending during 1947 was somewhat higher. During this year, companies with Dominion registration approved 83 per cent of the volume of all loans approved. In the field of new construction the proportion was even higher, 87 per cent. These figures appear to indicate that companies operating on a national basis have increased their lending operations at a relatively greater rate than smaller companies confining their activities to certain regions and localities (see Table 11).

Companies with Dominion registration made more loans for new construction than on existing property For every dollar spent on existing property, these companies spent $1.25 for new construction. Companies with provincial registration favoured loans on existing property. For every dollar spent on existing property, these companies spent 70 cents for new construction.

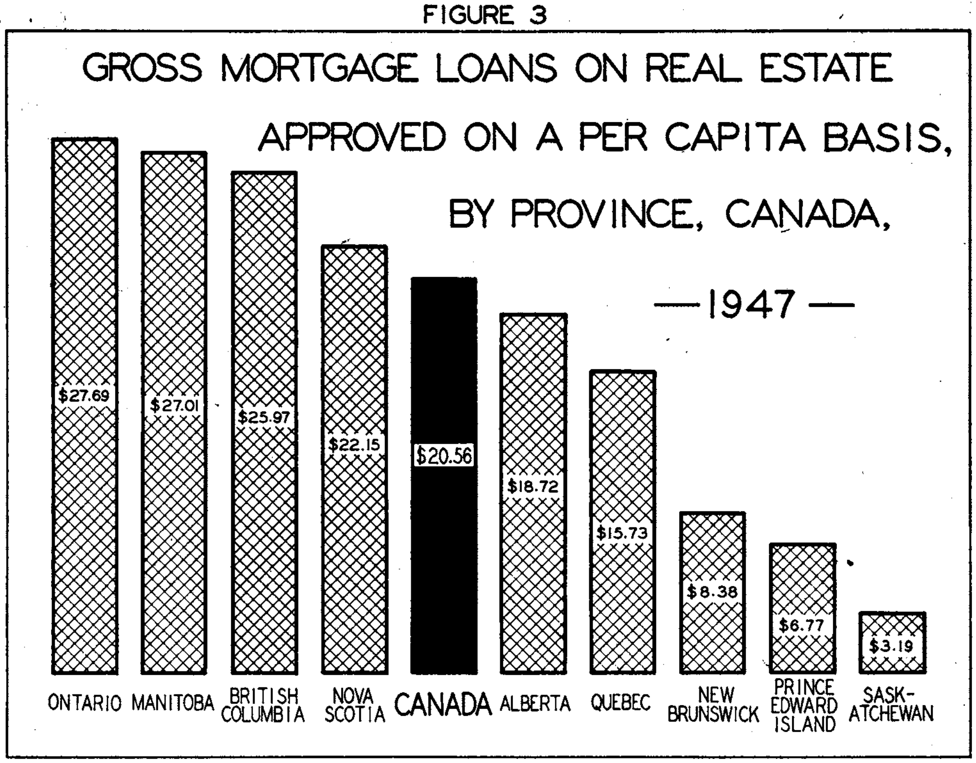
Gross Mortgage Loans Approved, by Province

Mortgage investment policies vary for the different regions in Canada depending on the role which lending institutions play as sources of financing real estate transactions (see Tables 12 and 13).

(1) In the central and western provinces, mortgage lending for new construction is more important than for existing property. In Prince Edward Island, Nova Scotia and New Brunswick the reverse is true. The reason for this seems to be that economic expansion, with which new construction is closely associated, is relatively greater in the central and western provinces than in the Maritimes.

(2) In all provinces except Quebec and Prince Edward Island mortgages for single houses are more numerous than for multiple units, this being true for homes newly constructed and new mortgages on existing residential property. In Quebec the prevalence of double duplexes, apartment buildings and row houses, particularly in Montreal, accounts for the large number of multiple units. In Prince Edward Island the difference between single and multiple units is relatively

FIGURE 3



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small. The larger number of multiple units is mainly due to the fact that their acquisition requires a larger initial outlay, and for this reason institutional financing is more frequent than individual financing.

(3) The largest loans on non-farm property were made in Quebec. The average for this province was $11,613 because of large loans for multiple housing projects and for non-residential property, mainly business. Ontario's average was $5,858, moderately above the national average of $5,820. Loan averages in all the other provinces were below the national average, ranking in the following order: Prince Edward Island, $5,257; New Brunswick, $4,925; Manitoba, $4,922; British Columbia, $4,485; Alberta, $4,413; Saskatchewan, $3,729; and Nova Scotia, $3,345.

(4) On a per capita basis, Ontario leads all other provinces in mortgage lending activity. Total mortgage operations in this province are equivalent to a loan of $27.69 for every man, woman and child. Manitoba and British Columbia follow Ontario closely, with per capita mortgage lending during 1947 of $27.01 and $25.97 respectively. As a matter of fact, the last two mentioned provinces are so close to the Ontario average that in taking total new construction as a basis per capita loans in Manitoba are higher than in Ontario, or in taking new housing construction as a basis per capita loans in Manitoba and British Columbia are higher than the Ontario average. These data reflect the building boom presently under way in the western provinces. Nova Scotia, with $22.15 mortgage loan per capita, and Alberta, with $18.72, are next in line. Quebec is sixth, with $15.73

per capita. The reason for this low average lies in the large volume of lending carried out in Quebec by groups not covered in the survey, mainly co-operatives and private business groups and individuals. The remaining three provinces follow in this order: New Brunswick, $8.38; Prince Edward Island, $6.77; and Saskatchewan, $3.19.

Gross Mortgage Loans Approved, by Month

Monthly totals of mortgage loans, available for one year, are insufficient to establish a definite seasonal pattern of real estate lending activity. Tentatively, data available for 1947 suggest the occurrence of two seasonal peaks, an observation supported by other data on residential construction activity in Canada.

Gross mortgage loans approved on real estate in 1947 show a low in February, rising to a peak in June, followed by declines in July and August, a secondary peak in September and October, and a final decline in the last two months of the year (see Table 14). The pattern is about the same for mortgage lending on new construction and on existing property except for two months, May and December, where increases of lending activity on new construction are somewhat offset by a declining lending volume for existing real estate. The seasonal variation for farm lending is more distinct, although the small volume of lending in this field does not affect materially the over-all pattern of mortgage lending activity. Farm mortgages during 1947 show a continuous rise from January to May, then a decline in June and July, with a secondary peak covering the months August to October, followed again by a decline in the last two months. A fuller interpretation of these observations awaits the availability of a series covering a period of several years.

SECTION 4. — FINANCING OF THE HOUSING PROGRAM, 1947

In Section 3 it was pointed out that the bulk of institutional mortgage lending is for residential real estate purposes. In fact, 80 per cent of loans for new construction in non-farm areas was made for housing. The next question is: How important is institutional mortgage lending as a factor in financing the housing program and what type of housing does it sponsor? While no comparable information to that shown in Section 3 is available in value terms, data on the number of housing unit starts, comparable for institutionally financed and other types of housing, are available for 1947. This section summarizes in unit terms the different sources which contributed to the undertaking of the housing program in 1947. In that year Canada achieved the largest volume of new housing construction in her history (1).

Starts and Completions in 1947

In 1947 the number of housing units completed, new and conversions, has been estimated at 79,000. This estimate is preliminary, and the final figure is expected to be slightly higher. The number of new housing units under construction at the end of 1946 was about 40,000 (excluding conversions) and at the end of 1947 approximately 42,000. Starts during 1947 are presently being put at about 81,000 units. (2)

(1) Completions in 1947 were almost as high as starts (79,000 units compared with 81,000 units). Comparable figures for completions in the pre-war period are: 67,000 units in 1929, the pre-war peak (preliminary estimate); and in the post-war period: 48,000 units in 1945 and 67,000 units in 1946.

(2) While no survey was made of housing conversions under way at the end of 1946 and 1947 it appears from partial data available that the number of conversions under way at the end of 1947 was smaller perhaps to the extent of 1,000 units than the comparable number at the end of 1946. This would tend to offset an upward adjustment in the estimate of starts should the final estimate of completions during 1947 be slightly higher than the preliminary estimate available at present.

About one in every three housing units started in 1947 was undertaken with Government aid or, to put it in absolute terms: of an estimated total of 81,404 starts, 24,234 units were undertaken with Federal assistance (Item 4, Table 15). This was done in two ways: (1) houses were built directly by the Government, and (2) houses were built with public assistance, with the financing being done either directly by the Government or jointly with lending institutions. The remaining two-thirds of the housing units started in 1947 were undertaken by private individuals, corporations, and organizations financed in part by lending institutions, in part by individuals, co-operatives and the owners themselves.

Direct Government House Building

Houses built directly by the Government are initiated, financed and supervised by public authorities. They cover a variety of projects, including operations under the Veterans' Land Act, 1942, quarters for married service personnel undertaken by the Department of National Defence, veterans' projects built by the Central Mortgage and Housing Corporation, and temporary housing provided for under the Emergency Shelter Regulations. Almost all of the actual new construction work, however, is carried out by private contractors working on Government account. In 1947 Government-initiated house building involved 12,830 units (Item 8, Table 16). These units were erected either by the Dominion Government alone or in conjunction with municipalities wishing to secure publicly assisted housing.

(a) *Dominion Projects*

The construction of a total of 3,268 units was commenced in 1947 (Item 4, Table 16). They included:

(1) *Veterans' Land Act, 1942* (Item 1, Table 16). New housing units started under this Act include five different types of projects[1]:

(a) Small holdings, individual projects, under Section 9(1) of the Act, whereby the veteran receives financial assistance covering the purchase of land involving a minimum of two acres, existing buildings and the construction of a house according to specification and under supervision by the administration.

(b) Full-time farming under Section 9(1) of the Act, involving financial assistance for the purchase of land, existing buildings, permanent improvements to the buildings, and the erection of a home and other buildings where required.

(c) Commercial fishing, under Section 9(2) of the Act, whereby those desirous of engaging in commercial fishing receive similar assistance to those engaging in full-time farming.

(d) Settlement on Dominion or provincial lands under Section 35, whereby grants are made for the construction of a house and other necessary buildings and the purchase of necessary household equipment, machinery, etc.

(e) Settlement of Indian veterans on Indian reservations under Section 35A, which scheme provides grants to Indian veterans similar to those made to other veterans settling on Dominion or provincial lands.

A substantial part of the activity of the administration of the Veterans' Land Act involves the purchase of existing land and buildings, but in a number of cases settlement of veterans has involved the building of new homes. In cases where

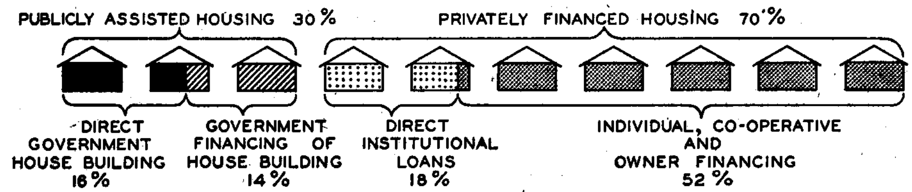
(1) Work to complete units started previously continued under a sixth project, small holdings, subdivision projects, under Section 7A of the Act, but no new starts were undertaken under this provision during 1947.

FIGURE 4

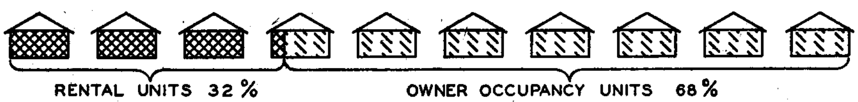
FINANCING OF THE HOUSING PROGRAM, CANADA, 1947

IN 1947, THE VOLUME OF HOUSE BUILDING WAS THE LARGEST IN THE HISTORY OF CANADA. STARTS OF HOUSING UNITS NUMBERED 81,404.

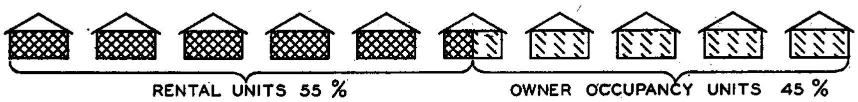
1. ***ABOUT ONE IN EVERY THREE UNITS WAS UNDERTAKEN EITHER DIRECTLY BY THE FEDERAL GOVERNMENT OR ENCOURAGED BY FINANCIAL ASSISTANCE.***



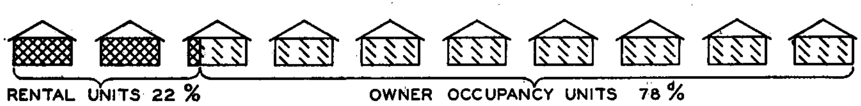
2. ***ABOUT ONE IN EVERY THREE OF ALL STARTS WAS FOR RENTAL PURPOSES.***



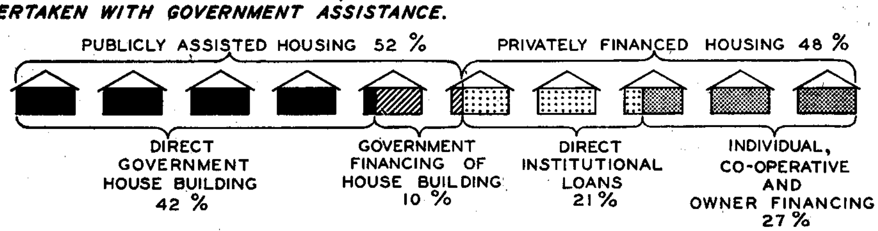
3. ***PUBLICLY ASSISTED HOUSING UNITS STARTED DURING THE YEAR NUMBERED 24,234. MORE THAN ONE HALF WERE FOR RENTAL.***



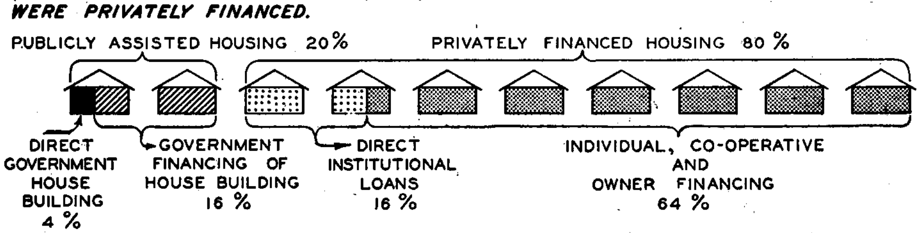
4. ***PRIVATELY FINANCED HOUSING WAS RESPONSIBLE FOR 57,170 STARTS. THE OVERWHELMING PROPORTION OF THESE UNITS WAS FOR OWNER OCCUPANCY.***



5. ***OVER ONE HALF OF THE 26,047 STARTS BEING BUILT FOR RENTAL WERE UNDERTAKEN WITH GOVERNMENT ASSISTANCE.***



6. ***FOUR OUT OF FIVE OF THE 55,357 UNITS BEING BUILT FOR OWNER OCCUPANCY WERE PRIVATELY FINANCED.***



EACH SYMBOL REPRESENTS 10 % OF STARTS DESIGNATED IN EACH OF THE SERIES.

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construction costs exceed $2,000, contracts are drawn between Veterans' Land Act Administration and private contractors for the construction of the home and other buildings. After completion of construction the title to the property is transferred to the veteran. In cases of small residential units involving less than $2,000, the Veterans' Land Act Administration advances the money for the purchase of building materials and makes advance payments to any builder or sub-contractor if employed, and supervises the completion of the building through a system of inspections. This control over house building is maintained for all new housing projects in order to ensure satisfactory standards of construction. Starts under the above-mentioned five schemes numbered 1,963 in 1947.

(2) *Housing Projects for Married Service Personnel*[1]*—Permanent and Temporary* (Items 2 and 3, Table 16). In 1946 the armed forces initated their program of housing construction to provide accommodation for married members of the permanent forces. These quarters were generally located near military establishments, including outlying areas where housing accommodation was inadequate to provide for married service personnel. Construction involves both permanent and temporary units, the latter mainly including the conversion of barracks into self-contained units. Starts in 1947 numbered 481 permanent units and 824 temporary units, or a total of 1,305 units.

(b) *Dominion-Municipal Projects*

Starts undertaken by the Dominion Government in conjunction with municipalities and universities numbered 9,562 housing units in 1947 (Item 7, Table 16). Two different types of projects were in operation:

(1) *Veterans' Projects Through C.M.H.C.* (Item 5, Table 16). During World War II houses for workers were built by Wartime Housing Limited in those parts of Canada where war industries had created a serious housing shortage. This marked the Dominion Government's first entry into the field of direct supply of housing. As the war ended the company continued operations to provide low rental housing for veterans and their families. In 1947 Wartime Housing Limited was amalgamated with Central Mortgage and Housing Corporation. Veterans' housing units started in this year numbered 6,724. The initiation of these projects depended upon a request from municipalities and agreement being reached between the Dominion Government and the municipalities on the terms under which construction was to be undertaken. Generally speaking, municipalities provided land and services, and accepted a fixed annual sum in lieu of taxes, while the Dominion Government undertook the construction of the project and administration after completion, and agreed to charge low rentals for the completed units.

(2) *Emergency Shelter* (Item 6, Table 16). Under the Emergency Shelter Regulations, Central Mortgage and Housing Corporation assists municipalities and universities to provide temporary quarters for needy families. Assistance is provided by making surplus Crown-owned buildings available at nominal rental, and making financial grants towards the initial cost of the adaptation of the shelter projects. During 1947 construction of 2,838 emergency shelter units was commenced.

Government Financing of House Building

Federal Government financing of home building is being carried out under the provisions of three statutes: National Housing Act, 1944, Canadian Farm Loan Act, 1927, and Farm Improvement Loans Guarantee Act, 1944. These acts

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(1) Including employees of the Defence Research Board.

cover many different types of housing projects, both for ownership and rental, in urban and rural areas. In 1947 they provided for 11,404 units (Item 20, Table 16). Using the type of financing as a basis, financial aid falls into three categories: direct Government loans, Government-institutional joint loans, and Government guarantees to lending institutions.

(a) *Direct Government Loans*

These loans provided for 730 housing starts (Item II, Table (16). The financing was carried out under two statutes:

(1) *National Housing Act, 1944* (Item 9, Table 16). Direct loans under this Act were made under Section 9 to limited dividend corporations, under Section 9A to borrowers engaged in mining, lumbering, logging or fishing operations, and under Section 31A to individuals and corporations which were unable to secure corresponding loans from private lending institutions mainly because those loans were desired for house building outside the centrally-located urban and suburban areas where the bulk of private institutional mortgage lending takes place. Housing unit starts financed under these three provisions of the National Housing Act, 1944, numbered 673 during 1947.

(2) *Canadian Farm Loan Act, 1927* (Item 10, Table 16). This Act, administered by the Canadian Farm Loan Board, provides for loans to farmers for the purpose of paying debts, purchasing livestock and farm equipment, making farm improvements, erecting new buildings, repairing existing buildings, providing for farm operating expenses and assisting in the purchase of additional farm land. Lending for house construction under the Act to date has constituted only a minor portion of the total operations of the Canadian Farm Loan Board. During 1947 loans for new farm homes numbered 57.

(b) *Government-Institutional Joint Loans*

These loans are made under Parts I and II of the National Housing Act. 1944. Housing units financed cover projects for both owner-occupancy and rental, including loans to home owners, to owners of rental property, to builders for sale without predetermined sales price, and to builders for sale with predetermined sales price, known as the "integrated" housing plan[1]. Lending institutions participating include life insurance companies, trust companies, loan companies and fraternal benefit societies. During 1947 starts of units financed by joint loans numbered 10,270 (Item 16, Table 16).

(c) *Government Guarantees to Lending Institutions*

Such guarantees are provided under two statutes: National Housing Act, 1944, Part IV, and Farm Improvement Loans Guarantee Act, 1944. Net loans guaranteed under these two Acts provided for 404 units in 1947 (Item 19, Table 16).

(1) *National Housing Act, 1944 — Home Extension* (Item 17, Table 16). Part IV of the National Housing Act, 1944, provides for guarantees against losses incurred by banks in lending for purposes of home improvement or home extension. Only the section dealing with home extension provides for new housing units through reconversion of existing buildings. During 1947 net home extension loans were approved for 17 new units.

(2) *Farm Improvement Loans Guarantee Act, 1944* (Item 18, Table 16). This statute provides for intermediate and short-term credits to farmers for the

(1) For a more detailed discussion of operations under the National Housing Act, 1944, see *Annual Report to the Minister of Reconstruction and Supply, 1947*, Central Mortgage and Housing Corporation, Ottawa, February, 1948.

improvement and development of farms and living conditions on farms. During 1947 loans were made for 387 new farm homes.

Direct and Government Financing of House Building

Government-assisted house building in 1947 comprised a total of 24,234 housing starts (Item 21, Table 16), consisting of 12,830 units undertaken directly by the Government and 11,404 units aided by financial means. This is the largest number of housing units undertaken in Canada in any one year with Federal assistance.

Private Financing of House Building

(a) *Direct Institutional Loans*

In addition to joint loans for new house building under the terms of the National Housing Act, 1944, lending institutions are making direct mortgage loans to borrowers for a variety of purposes. These include loans for new housing and business construction and mortgages on existing property, residential, industrial, commercial, institutional and farm. As indicated in Sections 1 and 3, loans for building new homes form only a part of real estate lending activity by the lending institutions reviewed here.

Data are available to estimate the number of housing starts financed by five groups of lending institutions, life insurance companies, trust companies, loan companies, fraternal societies, including mutual benefit societies and pension fund associations, and fire insurance companies. This group of lending institutions is estimated to have made loans, (excluding joint loans under the National Housing Act, 1944), for 14,424 units started during 1947 (Item 27, Table 16) [(1)].

(b) *Other Financing*

There remains another large group of housing units financed by other sources than those enumerated in Items 1 to 27 in Table 16. This is, numerically speaking, an important group comprising about half of the housing starts estimated to have taken place in Canada in 1947. But little is known about the financing of this group beyond the fact that it is mainly the result of financing by individuals, co-operatives or the owners themselves. As Item 17 of Table 17 shows, the overwhelming part of this type of housing is built for home ownership. The group as a whole will include new units created through reconversion, as well as new construction of urban and suburban high quality homes, winter and summer resort homes (excluding summer cottages), apartment, row, terrace, and single medium cost housing in urban areas, shack homes built outside urban areas or in urban slum districts, huts and other self-contained units built in outlying areas, particularly in logging, mining and fishing districts, and farm homes built for the farmers themselves and their hired help. From this enumeration it is quite evident that this group contains a large variety of types of houses, the only common denominator of which is the fact that each provides a new unit of housing accommodation. Housing standards and longevity of the buildings will vary substantially.

It bears emphasis that Item 28 of Table 16 is arrived at by a residual method, by deducting from an estimated total of starts in Canada all housing units for which information is available by the direct survey method. Any error resulting from the estimating technique in arriving at total starts for the year would tend

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(1) Number of new units for which net loans have been approved are estimated (a) to *include* loans by all lending institutions including some 5 per cent of lending activity not covered in the survey shown on Tables 7 to 14, (b) to *include* loans for the building of new farm homes for which no separate information is given in Tables 10 to 14, and (c) to *exclude* loans for new housing units that have been cancelled during 1947.

to affect the estimate of Item 28. Bearing these qualifications in mind, housing units financed by individuals, co-operatives and owners are estimated to number 42,746 in 1947[1] (Item 28, Table 16).

Temporary and Permanent Housing

The largest part of the Canadian housing program is devoted to construction of permanent homes. Of the total 81,404 starts, only some 3,662 units can definitely be identified as temporary housing (Item 1, Table 15). These dwellings comprise emergency shelter units and housing for married service personnel. The remaining 77,742 units provide "permanent" living accommodation. The term "permanent" is used in the sense that the houses built are expected to last longer than five to ten years, the period for which temporary accommodation is provided and indicates that these houses have the life expectancy of the average house built in Canada.

Institutionally Financed and All Other Housing

For an appraisal of how important Canadian lending institutions are as a factor in financing the housing program it is desirable to separate institutionally financed housing from housing financed through other sources. On this basis the five groups of Canadian lending institutions surveyed in Section 3 financed 24,694 units, 30.3 per cent out of a total of 81,404 starts in 1947. This includes joint loans under Parts I and II of the National Housing Act, 1944. If to this is added housing units financed by banks guaranteed under Part IV of the National Housing Act, 1944, and Farm Improvement Loans Guarantee Act, 1944, the figure of institutionally financed housing is raised slightly to 25,098 units (Item 7, Table 15), or 30.8 per cent of the total. If Government-institutional joint loans and Government guaranteed financing are excluded the contribution of corporate lenders surveyed here to the 1947 housing program is reduced to 14,424 units or 17.7 per cent (Item 27, Table 16).

Owner Occupancy and Rental Housing

House building for ownership makes up the overwhelming proportion of the Canadian housing program. About two out of three houses started in 1947 are estimated to have been for owner occupancy. Total housing starts for home ownership numbered 55,357 units as against 26,047 units for rental (Items 10 and 11, Table 16). To provide a perspective the owner-occupancy-tenancy ratio in June 1941, when the last complete census was taken, was 56 per cent to 44 per cent for all housing then in existence.

More than half of the rental program in 1947 was undertaken either directly by the Federal Government or encouraged through financial assistance. This was done under four programs: (a) housing projects for married service personnel, (b) veterans' projects through C.M.H.C., (c) emergency shelter, and (d) National Housing Act, 1944, including operations under Parts I, II, IV and VI. Total housing starts under these four projects numbered 13,447 units in 1947 (Item 14, Table 17). Of the remaining rental units 5,379 units were financed directly by lending institutions and 7,221 by individuals, co-operatives and owners. Privately financed rental housing starts totalled 12,600 units in 1947 (Item 21, Table 17). The proportion of rental housing units is much higher in the publicly assisted than in the privately financed field. Of the total number of 24, 234 housing starts resulting from direct Federal Government house building and Federal financial aid, 13,447 units (Item 14, Table 17) or 55 per cent were for

(1) Including a small number of units financed by commercial banks for which no separate information is available at present.

rent. In the private sector total starts numbered 57,170 units, of which 12,600 units (Item 21, Table 17), or 22 per cent were for rent.

There are many reasons for the present preponderance of building for home ownership. High levels of employment and income have made it possible for many who could not own their own homes previously to build now. Real estate credit is plentiful and the interest rate and conditions of repayment are more favourable than they were before the war. Many householders had accumulated savings during the war that could be used as a down payment for new houses. Many veterans returning to Canada and being unable to find living quarters because of the serious housing shortage proceeded to build or buy homes of their own. War service gratuities and the provisions of the Veterans' Land Act, 1942 aided them in this undertaking. This large volume of ownership building has been forthcoming in spite of continuously rising building costs, which in 1947 are estimated to be between 84 and 94 per cent above the 1939 level[1]. On the other hand, high building costs have been acting as a deterrent to large-scale private rental house building. In spite of the fact that the rental ceiling for new house building has been completely removed in 1947, thus enabling the prospective landlord to charge rentals required to assure an adequate return on his investment, the volume of private rental housing forthcoming has been comparatively small. Many reasons are given by actual and prospective landlords, but the main point appears to be the fact that present-day building costs make it necessary to charge rentals which may not be maintained at present levels should a decline in employment and income cut down the budget of the average Canadian family[2]. The hope is expressed that building costs will decline, thereby reducing the risk involved in undertaking the construction of rental housing. The building industry, however, does not anticipate in the near future any substantial decline of building material prices or construction labour costs from the average level that prevailed during the immediate postwar period. Some very moderate increases in efficiency have been noted recently as a result of a better flow of building materials and an increase in the construction labour force [3], and some further improvements are being hoped for. On the basis of current expectations, however, it is doubtful whether building costs will decline substantially in the next two or three years to a level sufficiently low to induce private landlords to embark on a large-scale rental house building program.

Single and Multiple Unit Housing

The preponderance of houses built for owner occupancy is also reflected in part by the large proportion of single houses being erected in this country. During 1947 starts of single units are estimated to have numbered 60,423 (Item 13, Table 15), or 74 per cent of the total. This is about 6 per cent more than houses built for owner occupancy, indicating that some single houses are being built for rental, comprising mainly veterans' low rental housing projects through Central Mortgage and Housing Corporation.

Urban-Rural Housing

Housing starts in urban areas are estimated to number 60,415 (Item 16, Table 15), or 74 per cent of total starts in 1947, with the remaining 20,989 units situated in rural areas. For a comparison with data on methods of financing, a separation of houses being built in non-farm and farm areas would be preferable but this information is not available at present. An attempt to remedy this is under way.

(1) *Housing in Canada*, Central Mortgage and Housing Corporation, Ottawa, January, 1948, p. 21.
(2) Other factors include the increase in municipal taxes and increases in the cost of services, uncertainty about which has tended to slow down the entry of equity capital into the rental housing field.
(3) *Annual Report to the Minister of Reconstruction and Supply, 1947*, op. cit., p. 18.

PART II

TABULAR MATERIAL

TABLE 1. — LENDING INSTITUTIONS WITH AND WITHOUT MORTGAGE LOANS ON REAL ESTATE OUTSTANDING, CANADA, AS AT DECEMBER 31, 1946.

Type of Lending Institution	Lending Institutions with Loans on Real Estate Outstanding (1)						Lending Institutions Without Loans on Real Estate	All Lending Institutions
	Lending Institutions Making Loans in 1946		Lending Institutions Not Making Loans in 1946		Sub-total			
	Number	Amount Outstanding ($000)	Number	Amount Outstanding ($000)	Number	Amount Outstanding ($000)	Number	Number
Life Insurance Companies	38	357,934	10	10,395	48	368,329	23	71
Trust Companies	44	69,294	9	651	53	69,945	14	67
Loan Companies	35	150,186	12	1,325	47	151,511	2	49
Fraternal Societies(2)	24	18,156	25	647	49	18,803	272	321
Fire Insurance Companies	13	1,950	31	500	44	2,450	345	389
TOTAL	154	597,520	87	13,518	241	611,038	656	897
Dominion Registration	80	468,031	31	10,801	111	478,832	309	420
Provincial Registration	74	129,489	56	2,717	130	132,206	347	477
TOTAL	154	597,520	87	13,518	241	611,038	656	897

(1) Includes agreements for sale.
(2) Includes Mutual Benefit Societies and Pension Fund Associations.

TABLE 2. — LENDING INSTITUTIONS MAKING LOANS ON REAL ESTATE IN 1946 COVERED IN MONTHLY SURVEY, CANADA, 1947.

Type of Lending Institution	Lending Institutions Making Loans in 1946 Participating in Survey			Lending Institutions Making Loans in 1946 Not Participating in Survey			All Lending Institutions Making Loans in 1946			Coverage of Lending Institutions Participating in Survey in Terms of Total		
	Number	Loans on Real Estate Outstanding(1) as at Dec. 31, 1946 ($000)	Mortgage Loans Made During 1946 ($000)	Number	Loans on Real Estate Outstanding(1) as at Dec. 31, 1946 ($000)	Mortgage Loans Made During 1946 ($000)	Number	Loans on Real Estate Outstanding(1) as at Dec. 31, 1946 ($000)	Mortgage Loans Made During 1946 ($000)	Number %	Loans Outstanding as at Dec. 31, 1946 %	Loans Made During 1946 %
Life Insurance Companies	36	346,380	88,229	2	11,554	34	38	357,934	88,263	94.7	96.8	99.9
Trust Companies	40	63,852	15,183	4	5,442	962	44	69,294	16,145	90.9	92.1	94.0
Loan Companies	28	127,515	32,394	7	22,671	6,667	35	150,186	39,061	80.0	84.9	82.9
Fraternal Societies(2)	12	17,416	4,759	12	740	269	24	18,156	5,028	50.0	95.9	94.6
Fire Insurance Companies	6	1,668	382	7	282	94	13	1,950	476	46.2	85.5	80.3
TOTAL	122	556,831	140,947	32	40,689	8,026	154	597,520	148,973	79.2	93.2	94.6

(1) Includes agreements for sale.

(2) Includes Mutual Benefit Societies and Pension Fund Associations.

TABLE 3. — LOANS ON REAL ESTATE OUTSTANDING,(1) BY TYPE OF LENDING INSTITUTION, CANADA, 1919-1946.

(Thousands of Dollars)

Year	Life Insurance Companies	Trust Companies	Loan Companies	Fraternal (2) Societies	Fire Insurance Companies	All Companies
1919	118,141	36,283	155,922	10,114	6,923	327,383
1920	131,133	36,671	168,154	10,480	16,237 (3)	362,675
1921	145,969	37,435	178,033	12,044	7,456	380,937
1922	165,819	42,046	179,202	13,256	6,761	407,084
1923	191,320	54,610	181,813	14,181	6,970	448,894
1924	216,629	62,303	178,413	15,559	6,986	479,890
1925	240,567	69,448	182,119	17.201	7,901	517,236
1926	272,222	70,866	189,724	19,374	7,380	559,566
1927	314,786	80,072	204,190	21,215	8,205	628,468
1928	363,418	95,596	211,208	22,798	7,616	700,636
1929	404,003	103,602	212,294	24,702	7,003	751,604
1930	448,037	106,876	216,896	25,974	5,347	803,130
1931	458,764	111,174	216,233	30,426	5,773	822,370
1932	449,784	107,538	208,120	30,419	5,778	801,639
1933	435,919	102,904	197,060	29,837	5,184	770,904
1934	420,151	98,587	189,879	28,212	5,452	742,281
1935	404,892	97,330	183,199	25,882	6,020	717,323
1936	393,528	96,854	177,235	23,868	4,849	696,334
1937	390,092	97,444	172,077	22,952	5,324	687,889
1938	392,902	91,013	171,466	21,395	5,371	682,147
1939	390,794	89,401	170,917	20,442	4,633	676.187
1940	397,736	86,649	166,359	19,701	4,536	674,981
1941	400,394	83,935	161,968	18,340	4,658	669,295
1942	392,032	81,206	155,860	17,488	4,438	651,024
1943	370,784	75,524	146,534	17,207	3,793	613,842
1944	345,022	70,079	138,038	16,738	2,755	572,632
1945	329,303	67,107	136,432	17,815	2,575	553,232
1946	368,329	69,945	151,511	18,803	2,450	611,038

(1) Includes agreements for sale.

(2) Includes Mutual Benefit Societies and Pension Fund Associations.

(3) Includes an amount of 8.9 million dollars of loans on real estate reported by a company which reported no loans on real estate outstanding for the years 1919 or 1921.

TABLE 4. — NET CHANGES OF LOANS ON REAL ESTATE OUTSTANDING,(1) BY TYPE OF LENDING INSTITUTION, CANADA, 1920-1946.

(Thousands of Dollars)

Year	Life Insurance Companies	Trust Companies	Loan Companies	Fraternal (2) Societies	Fire Insurance Companies	All Companies
1920	+ 12,992	+ 388	+ 12,232	+ 366	+ 9,314	+ 35,292
1921	+ 14,836	+ 764	+ 9,879	+ 1,564	— 8,781	+ 18,262
1922	+ 19,850	+ 4,611	+ 1,169	+ 1,212	— 695	+ 26,147
1923	+ 25,501	+ 12,564	+ 2,611	+ 925	+ 209	+ 41,810
1924	+ 25,309	+ 7,693	— 3,400	+ 1,378	+ 16	+ 30,996
1925	+ 23,938	+ 7,145	+ 3,706	+ 1,642	+ 915	+ 37,346
1926	+ 31,655	+ 1,418	+ 7,605	+ 2,173	— 521	+ 42,330
1927	+ 42,564	+ 9,206	+ 14,466	+ 1,841	+ 825	+ 68,902
1928	+ 48,632	+ 15,524	+ 7,018	+ 1,583	— 589	+ 72,168
1929	+ 40,585	+ 8,006	+ 1,086	+ 1,904	— 613	+ 50,968
1930	+ 44,034	+ 3,274	+ 4,602	+ 1,272	— 1,656	+ 51,526
1931	+ 10,727	+ 4,298	— 663	+ 4,452	+ 426	+ 19,240
1932	— 8,980	— 3,636	— 8,113	— 7	+ 5	— 20,731
1933	— 13,865	— 4,634	— 11,060	— 582	— 594	— 30,735
1934	— 15,768	— 4,317	— 7,181	— 1,625	+ 268	— 28,623
1935	— 15,259	— 1,257	— 6,680	— 2,330	+ 568	— 24,958
1936	— 11,364	— 476	— 5,964	— 2,014	— 1,171	— 20,989
1937	— 3,436	+ 590	— 5,158	— 916	+ 475	— 8,445
1938	+ 2,810	— 6,431	— 611	— 1,557	+ 47	— 5,742
1939	— 2,108	— 1,612	— 549	— 953	— 738	— 5,960
1940	+ 6,942	— 2,752	— 4,558	— 741	— 97	— 1,206
1941	+ 2,658	— 2,714	— 4,391	— 1,361	+ 122	— 5,686
1942	— 8,362	— 2,729	— 6,108	— 852	— 220	— 18,271
1943	— 21,248	— 5,682	— 9,326	— 281	— 645	— 37,182
1944	— 25,762	— 5,445	— 8,496	— 469	— 1,038	— 41,210
1945	— 15,719	— 2,972	— 1,606	+ 1,077	— 180	— 19,400
1946	+ 39,026	+ 2,838	+ 15,079	+ 988	— 125	+ 57,806

(1) Includes agreements for sale.
(2) Includes Mutual Benefit Societies and Pension Fund Associations.

TABLE 5. — LOANS ON REAL ESTATE OUTSTANDING,(1) BY TYPE OF REGISTRATION OF LENDING INSTITUTION, CANADA, 1919-1946.

(Thousands of Dollars)

Year	Companies with Dominion Registration	Companies with Provincial Registration	All Companies
1919	212,483	114,900	327,383
1920	239,157	123,518	362,675
1921	252,045	128,892	380,937
1922	276,626	130,458	407,084
1923	311,405	137,489	448,894
1924	338,440	141,450	479,890
1925	369,738	147,498	517,236
1926	413,540	146,026	559,566
1927	473,233	155,235	628,468
1928	525,195	175,441	700,636
1929	566,175	185,429	751,604
1930	610,113	193,017	803,130
1931	627,597	194,773	822,370
1932	612,386	189,253	801,639
1933	591,331	179,573	770,904
1934	571,078	171,203	742,281
1935	551,486	165,837	717,323
1936	543,378	152,956	696,334
1937	540,335	147,554	687,889
1938	540,482	141,665	682,147
1939	534,748	141,439	676,187
1940	538,226	136,755	674,981
1941	536,021	133,274	669,295
1942	522,453	128,571	651,024
1943	491,708	122,134	613,842
1944	457,075	115,557	572,632
1945	435,490	117,742	553,232
1946	478,820	132,218	611,038

(1) Includes agreements for sale.

TABLE 6. — NET CHANGES OF LOANS ON REAL ESTATE OUTSTANDING, (1) BY TYPE OF REGISTRATION OF LENDING INSTITUTIONS, CANADA, 1920-1946.

(Thousands of Dollars)

Year	Companies with Dominion Registration	Companies with Provincial Registration	All Companies
1920	+ 26,674	+ 8,618	+ 35,292
1921	+ 12,888	+ 5,374	+ 18,262
1922	+ 24,581	+ 1,566	+ 26,147
1923	+ 34,779	+ 7,031	+ 41,810
1924	+ 27,035	+ 3,961	+ 30,996
1925	+ 31,298	+ 6,048	+ 37,346
1926	+ 43,802	— 1,472	+ 42,330
1927	+ 59,693	+ 9,209	+ 68,902
1928	+ 51,962	+ 20,206	+ 72,168
1929	+ 40,980	+ 9,988	+ 50,968
1930	+ 43,938	+ 7,588	+ 51,526
1931	+ 17,484	+ 1,756	+ 19,240
1932	— 15,211	— 5,520	— 20,731
1933	— 21,055	— 9,680	— 30,735
1934	— 20,253	— 8,370	— 28,623
1935	— 19,592	— 5,366	— 24,958
1936	— 8,108	— 12,881	— 20,989
1937	— 3,043	— 5,402	— 8,445
1938	+ 147	— 5,889	— 5,742
1939	— 5,734	— 226	— 5,960
1940	+ 3,478	— 4,684	— 1,206
1941	— 2,205	— 3,481	— 5,686
1942	— 13,568	— 4,703	— 18,271
1943	— 30,745	— 6,437	— 37,182
1944	— 34,633	— 6,577	— 41,210
1945	— 21,585	+ 2,185	— 19,400
1946	+ 43,330	+ 14,476	+ 57,806

(1) Includes agreements for sale.

TABLE 7. — CASH DISBURSEMENTS ON MORTGAGE LOAN ACCOUNT, BY TYPE OF LENDING INSTITUTION, CANADA, 1946 AND 1947.

Type of Lending Institution	1946 ($000)	1947 ($000)	Increase Amount ($000)	Increase Per Cent
Life Insurance Companies	88,229	139,279	51,050	57.9
Trust Companies	15,183	19,286	4,103	27.0
Loan Companies	32,394	39,694	7,300	22.5
Fraternal Societies(1)	4,759	5,391	632	13.3
Fire Insurance Companies	382	1,089	707	185.1
TOTAL	140,947	204,739	63,792	45.3

(1) Includes Mutual Benefit Societies and Pension Fund Associations.

TABLE 8. — GROSS AND NET MORTGAGE LOANS ON REAL ESTATE APPROVED, AND CASH DISBURSEMENTS ON MORTGAGE LOAN ACCOUNT, BY TYPE OF LENDING INSTITUTION, CANADA, 1947.

Type of Lending Institution	Gross Loans Approved(1)		Net Loans Approved(2)		Cash Disbursements
	Number	Amount ($000)	Number	Amount ($000)	Amount ($000)
Life Insurance Companies	26,930	180,211	24,118	155,714	139,279
Trust Companies	5,015	20,718	4,698	20,385	19,286
Loan Companies	11,836	51,340	10,323	42,403	39,694
Fraternal Societies(3)	550	4,747	561	4,485	5,391
Fire Insurance Companies	54	1,118	60	1,249	1,089
TOTAL	44,385	258,134	39,760	224,237	204,739

(1) Gross loans approved are the total amounts of mortgage loans approved on real estate in Canada during 1947 irrespective as to whether the amount of the mortgage loans was later altered or the loans not taken up and as to whether the mortgage loans were paid out in full or in part.

(2) Net loans approved are gross loans approved during 1947 minus cancellations or alterations of mortgage loans effected during 1947 whether initial approval was made during 1947 or in prior years and irrespective as to whether mortgage loans were paid out in full or in part.

(3) Includes Mutual Benefit Societies and Pension Fund Associations.

TABLE 9. — GROSS AND NET MORTGAGE LOANS ON REAL ESTATE APPROVED, AND CASH DISBURSEMENTS ON MORTGAGE LOAN ACCOUNT, BY PROVINCE, CANADA, 1947.

Province	Gross Loans Approved		Net Loans Approved		Cash Disbursements
	Number	Amount ($000)	Number	Amount ($000)	Amount ($000)
Prince Edward Island	121	636	79	441	367
Nova Scotia.........	4,111	13,753	3,185	11,373	10,918
New Brunswick......	835	4,113	787	3,681	3,089
Quebec............	5,031	58,401	4,434	47,982	45,412
Ontario............	19,957	115,976	18,182	101,386	89,985
Manitoba...........	4,078	20,070	3,647	17,736	16,977
Saskatchewan.......	720	2,685	626	2,164	2,494
Alberta............	3,488	15,391	3,289	14,469	12,267
British Columbia. (1).	6,044	27,108	5,531	25,006	23,230
CANADA......	44,385	258,134	39,760	224,237	204,739

(1) Includes Yukon and Northwest Territories.

TABLE 10. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY TYPE OF LENDING INSTITUTION AND TYPE OF LOAN, CANADA, 1947.

Item No.	Type of Loan	Life Insurance Companies			Trust Companies			Loan Companies		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm — New Construction									
1	Residential-Single Dwellings	14,336	14,357	67,657	846	846	2,907	2,467	2,467	9,664
2	Residential-Multiple Dwellings	1,298	6,052	20,443	123	387	808	282	1,016	2,736
3	Sub-total (Items 1 + 2)	15,634	20,409	88,100	969	1,233	3,716	2,749	3,483	12,400
4	Other Real Estate	618	......	19,939	96	......	1,296	274	......	4,463
5	Total (Items 3 + 4)	16,252	......	108,039	1,065	......	5,011	3,023	......	16,862
	Non-Farm — Existing Property									
6	Residential-Single Dwellings	8,184	8,184	29,564	3,129	3,129	9,574	6,604	6,604	17,735
7	Residential-Multiple Dwellings	1,214	8,275	15,610	217	862	1,519	1,100	4,247	6,694
8	Sub-total (Items 6 + 7)	9,398	16,459	45,174	3,346	3,991	11,093	7,704	10,851	24,429
9	Other Real Estate	599	......	23,781	336	......	3,609	500	......	7,600
10	Total (Items 8 + 9)	9,997	......	68,955	3,682	......	14,702	8,204	......	32,029
11	ALL NON-FARM (Items 5 + 10)	26,249	......	76,994	4,747	......	19,713	11,227	......	48,891
	Farm — New Construction and Existing Property									
12	Residential and Other Purposes	681	......	3,217	268	......	1,005	609	......	2,449
1	GRAND TOTAL (Items 11 + 12)	26,930	......	180,211	5,015	......	20,718	11,836	......	51,340

TABLE 10. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY TYPE OF LENDING INSTITUTION AND TYPE OF LOAN, CANADA, 1947. — *Continued.*

Item No.	Type of Loan	Fraternal Societies (1)			Fire Insurance Companies			All Companies		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm — New Construction									
1	Residential-Single Dwellings	102	102	519	2	2	30	17,753	17,774	80,776
2	Residential-Multiple Dwellings	134	320	1,242	13	33	137	1,850	7,808	25,366
3	Sub-total (Items 1 + 2)	236	422	1,761	15	35	167	19,603	25,582	106,143
4	Other Real Estate	45	......	898	21	......	656	1,054	......	27,252
5	Total (Items 3 + 4)	281	......	2,660	36	......	823	20,657	......	133,395
	Non-Farm — Existing Property									
6	Residential-Single Dwellings	131	131	357	1	1	7	18,049	18,049	57,237
7	Residential-Multiple Dwellings	99	401	964	9	32	152	2,639	13,817	24,939
8	Sub-total (Items 6 + 7)	230	532	1,322	10	33	159	20,688	31,866	82,176
9	Other Real Estate	37	......	756	8	......	137	1,480	......	35,882
10	Total (Items 8 + 9)	267	......	2,077	18	......	295	22,168	......	118,058
11	ALL NON-FARM (Items 5 + 10)	548	......	4,737	54	......	1,118	42,825	......	251,454
	Farm — New Construction and Existing Property									
12	Residential and Other Purposes	2	......	10	......	......	......	1,560	......	6,680
13	GRAND TOTAL (Items 11 + 12)	550	......	4,747	54	......	1,118	44,385	......	258,134

(1) Includes Mutual Benefit Societies and Pension Fund Associations.

TABLE 11. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY TYPE OF REGISTRATION OF LENDING INSTITUTION AND TYPE OF LOAN, CANADA, 1947.

Item No.	Type of Loan	Companies with Dominion Registration			Companies with Provincial Registration		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm—New Construction						
1	Residential—Single Dwellings	15,572	15,593	71,415	2,181	2,181	9,361
2	Residential—Multiple Dwellings	1,339	6,273	21,113	511	1,535	4,253
3	Sub-total (Items 1 + 2)	16,911	21,866	92,529	2,692	3,716	13,614
4	Other Real Estate	840	.....	23,584	214	.....	3,669
5	Total (Items 3 + 4)	17,751	.....	116,113	2,906	.....	17,283
	Non-Farm—Existing Property						
6	Residential—Single Dwellings	12,978	12,978	42,596	5,071	5,071	14,641
7	Residential—Multiple Dwellings	1,899	10,682	19,985	740	3,135	4,955
8	Sub-total (Items 6 + 7)	14,877	23,660	62,581	5,811	8,206	19,595
9	Other Real Estate	1,060	.....	30,653	420	.....	5,230
10	Total (Items 8 + 9)	15,937	.....	93,234	6,231	.....	24,825
11	ALL NON-FARM (Items 5 + 10)	33,688	.....	209,346	9,137	.....	42,107
	Farm—New Construction and Existing Property						
12	Residential and Other Purposes	1,251	.....	5,602	309	.....	1,079
13	GRAND TOTAL (Items 11 + 12)	34,939	.....	214,948	9,446	.....	43,186

TABLE 12. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY PROVINCE AND TYPE OF LOAN, CANADA, 1947.

Item No.	Type of Loan	Prince Edward Island			Nova Scotia			New Brunswick		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm — New Construction									
1	Residential-Single Dwellings	37	38	128	1,014	1,014	3,357	282	282	1,123
2	Residential-Multiple Dwellings	9	47	153	14	51	138	19	99	277
3	Sub-total (Items 1 + 2)	46	195	281	1,028	1,065	3,495	301	381	1,400
4	Other Real Estate	2	......	6	32	......	532	46	......	582
5	Total (Items 3 + 4)	48	......	287	1,060	......	4,027	347	......	1,982
	Non-Farm — Existing Property									
6	Residential-Single Dwellings	43	43	136	2,593	2,593	6,209	383	383	1,132
7	Residential-Multiple Dwellings	13	44	68	294	891	1,597	63	290	461
8	Sub-total (Items 6 + 7)	56	87	204	2,887	3,484	7,806	446	673	1,593
9	Other Real Estate	16	......	145	127	......	1,833	42	......	537
10	Total (Items 8 + 9)	72	......	349	3,014	......	9,639	488	......	2,130
11	ALL NON-FARM (Items 5 + 10)	120	......	635	4,074	......	13,666	835	......	4,113
	Farm — New Construction and Existing Property									
12	Residential and Other Purposes	1	......	1	37	......	89	......	......	......
13	GRAND TOTAL (Items 11 + 12)	121	......	636	4,111	......	13,753	835	......	4,113

TABLE 12. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY PROVINCE AND TYPE OF LOAN, CANADA, 1947. — *Continued.*

Item No.	Type of Loan	Quebec			Ontario			Manitoba		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm — New Construction									
1	Residential-Single Dwellings	1,736	1,736	10,195	8,333	8,353	39,339	1,793	1,793	8,471
2	Residential-Multiple Dwellings	1,305	4,674	16,362	307	1,732	4,783	64	372	1,335
3	Sub-total (Items 1 + 2)	3,041	6,410	26,557	8,640	10,085	44,122	1,857	2,165	9,806
4	Other Real Estate	166	......	7,338	554	......	14,687	52	......	984
5	Total (Items 3 + 4)	3,207	......	33,895	9,194	......	58,809	1,909	......	10,790
	Non-Farm — Existing Property									
6	Residential-Single Dwellings	699	699	3,650	8,456	8,456	29,091	1,559	1,559	4,341
7	Residential-Multiple Dwellings	917	5,045	10,866	872	4,473	7,613	165	919	1,587
8	Sub-total (Items 6 + 7)	1,616	5,744	14,516	9,328	12,929	36,704	1,724	2,478	5,928
9	Other Real Estate	204	......	9,967	816	......	17,767	68	......	1,939
10	Total (Items 8 + 9)	1,820	......	24,483	10,144	......	54,471	1,792	......	7,867
11	ALL NON-FARM (Items 5 + 10)	5,027	......	58,378	19,338	......	113,280	3,701	......	18,657
	Farm — New Construction and Existing Property									
12	Residential and Other Purposes	4	......	24	619	......	2,696	377	......	1,414
13	GRAND TOTAL (Items 11 + 12)	5,031	......	58,401	19,957	......	115,976	4,078	......	20,070

TABLE 12. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY PROVINCE AND TYPE OF LOAN, CANADA, 1947.—*Continued.*

Item No.	Type of Loan	Saskatchewan			Alberta			British Columbia (1)		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm — New Construction									
1	Residential-Single Dwellings	253	253	939	1,633	1,633	6,639	2,672	2,672	10,586
2	Residential-Multiple Dwellings......	13	80	165	44	222	606	75	531	1,547
3	Sub-total (Items 1 + 2).........	266	333	1,104	1,677	1,855	7,245	2,747	3,203	12,133
4	Other Real Estate.................	12	......	165	77	......	1,154	113	......	1,804
5	Total (Items 3 + 4)	278	......	1,269	1,754	......	8,399	2,860	......	13,937
	Non-Farm — Existing Property									
6	Residential-Single Dwellings........	336	336	786	1,225	1,225	3,441	2,755	2,755	8,453
7	Residential-Multiple Dwellings......	22	110	109	113	676	811	180	1,369	1,828
8	Sub-total (Items 6 + 7).......	358	446	895	1,338	1,901	4,252	2,935	4,124	10,281
9	Other Real Estate.................	17	......	207	82	......	1,401	108	......	2,086
10	Total (Items 8 + 9)	375	......	1,102	1,420	......	5,653	3,043	......	12,367
11	ALL NON-FARM (Items 5 + 10)	653	......	2,371	3,174	......	14,052	5,903	......	26,304
	Farm — New Construction and Existing Property									
12	Residential and Other Purposes.....	67	......	313	314	......	1,340	141	......	804
13	GRAND TOTAL (Items 11 + 12)....	720	......	2,685	3,488	......	15,391	6,044	......	27,108

(1) Includes Yukon and Northwest Territories.

TABLE 13. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, ON A PER CAPITA BASIS, BY PROVINCE AND TYPE OF LOAN, CANADA, 1947.

Item No.	Type of Loan	Per Capita Amount of Loan				
		Prince Edward Island $	Nova Scotia $	New Brunswick $	Quebec $	Ontario $
	Non-Farm—New Construction					
1	Residential-Single Dwellings	1.36	5.41	2.29	2.75	9.39
2	Residential-Multiple Dwellings	1.63	.22	.56	4.41	1.14
3	Sub-total (Items 1 + 2)	2.99	5.63	2.85	7.15	10.53
4	Other Real Estate	.06	.86	1.19	1.98	3.51
5	Total (Items 3 + 4)	3.05	6.48	4.04	9.13	14.04
	Non-Farm—Existing Property					
6	Residential-Single Dwellings	1.45	10.00	2.30	.98	6.94
7	Residential-Multiple Dwellings	.72	2.57	.94	2.93	1.82
8	Sub-total (Items 6 + 7)	2.17	12.57	3.24	3.91	8.76
9	Other Real Estate	1.54	2.95	1.09	2.69	4.24
10	Total (Items 8 + 9)	3.71	15.52	4.34	6.60	13.00
11	ALL NON-FARM (Items 5 + 10)	6.76	22.00	8.38	15.73	27.04
	Farm—New Construction and Existing Property					
12	Residential and Other Purposes	.01	.14	......	.01	.64
13	GRAND TOTAL (Items 11 + 12)	6.77	22.15	8.38	15.73	27.69
14	Population(1)—number	94,000	621,000	491,000	3,712,000	4,189,000

(1) Estimated as of June, 1947.

TABLE 13. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, ON A PER CAPITA BASIS, BY PROVINCE AND TYPE OF LOAN, CANADA, 1947.—*Continued.*

Item No.	Type of Loan	Per Capita Amount of Loan				
		Manitoba $	Saskatchewan $	Alberta $	British Columbia $	Canada (2) $
	Non-Farm—New Construction					
1	Residential-Single Dwellings...........	11.40	1.12	8.08	10.14	6.43
2	Residential-Multiple Dwellings.........	1.80	.20	.74	1.48	2.02
3	Sub-total (Items 1 + 2)...........	13.20	1.31	8.81	11.62	8.45
4	Other Real Estate....................	1.32	.20	1.40	1.73	2.17
5	Total (Items 3 + 4)...........	14.52	1.51	10.22	13.35	10.62
	Non-Farm—Existing Property					
6	Residential-Single Dwellings...........	5.84	.93	4.19	8.07	4.56
7	Residential-Multiple Dwellings.........	2.14	.13	.99	1.75	1.99
8	Sub-total (Items 6 + 7)...........	7.98	1.06	5.17	9.85	6.54
9	Other Real Estate....................	2.61	.25	1.70	2.00	2.86
10	Total (Items 8 + 9)...........	10.59	1.31	6.88	11.85	9.40
11	ALL NON-FARM (Items 5 + 10).....	25.11	2.82	17.19	25.20	20.02
	Farm—New Construction and Existing Property					
12	Residential and Other Purposes.........	1.90	.37	1.63	.77	.53
13	GRAND TOTAL (Items 11 + 12).......	27.01	3.19	18.72	25.97	20.56
14	Population (1)—number..............	743,000	842,000	822,000	1,044,000	12,558,000

(1) Estimated as of June, 1947.
(2) Excluding Yukon and Northwest Territories

TABLE 14. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY MONTH AND TYPE OF LOAN, CANADA, 1947.

Item No.	Type of Loan	January			February			March		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm—New Construction									
1	Residential-Single Dwellings	693	693	2,963	710	710	3,003	1,088	1,088	4,941
2	Residential-Multiple Dwellings	82	536	1,721	78	398	1,215	106	632	1,577
3	Sub-total (Items 1 + 2)	775	1,229	4,684	788	1,108	4,218	1,194	1,720	6,518
4	Other Real Estate	85	....	2,673	68	....	2,161	72	....	1,624
5	Total (Items 3 + 4)	860	....	7,357	856	....	6,379	1,266	....	8,142
	Non-Farm—Existing Property									
6	Residential-Single Dwellings	955	955	2,998	1,034	1,034	3,149	1,381	1,381	4,302
7	Residential-Multiple Dwellings	160	963	1,682	166	872	1,482	180	1,023	2,056
8	Sub-total (Items 6 + 7)	1,115	1,918	4,680	1,200	1,906	4,631	1,561	2,404	6,358
9	Other Real Estate	88	....	2,545	95	....	2,291	142	....	3,216
10	Total (Items 8 + 9)	1,203	....	7,225	1,295	....	6,922	1,703	....	9,574
11	ALL NON-FARM (Items 5 + 10)	2,063	....	14,582	2,151	....	13,301	2,969	....	17,716
	Farm—New Construction and Existing Property									
12	Residential and Other Purposes	66	....	275	65	....	322	107	....	516
13	GRAND TOTAL (Items 11 + 12)	2,129	....	14,857	2,216	....	13,623	3,076	....	18,232

TABLE 14. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY MONTH AND TYPE OF LOAN, CANADA, 1947. — *Continued.*

Item No.	Type of Loan	April			May			June		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm—New Construction									
1	Residential-Single Dwellings.........	1,371	1,371	6,097	1,894	1,894	8,521	2,052	2,052	9,491
2	Residential-Multiple Dwellings......	172	921	3,039	132	603	2,227	136	552	1,853
3	Sub-total (Items 1 + 2)........	1,543	2,292	9,136	2,026	2,497	10,748	2,188	2,604	11,344
4	Other Real Estate.................	78	....	1,629	106	....	3,167	100	....	2,874
5	Total (Items 3 + 4)........	1,621	....	10,765	2,132	....	13,915	2,288	....	14,218
	Non-Farm—Existing Property									
6	Residential-Single Dwellings.........	1,728	1,728	5,306	1,719	1,719	5,348	1,618	1,618	5,237
7	Residential-Multiple Dwellings......	243	1,176	2,254	291	1,693	3,068	230	1,271	2,422
8	Sub-total (Items 6 + 7)........	1,971	2,904	7,560	2,010	3,412	8,416	1,848	2,889	7,659
9	Other Real Estate.................	129	....	4,840	143	....	3,082	123	....	4,505
10	Total (Items 8 + 9)........	2,100	....	12,400	2,153	....	11,498	1,971	....	12,164
11	ALL NON-FARM (Items 5 + 10)....	3,721	....	23,165	4,285	....	25,413	4,259	....	26,382
	Farm—New Construction and Existing Property									
12	Residential and Other Purposes......	145	....	625	141	....	641	131	....	520
13	GRAND TOTAL (Items 11 + 12)....	3,866	....	23,790	4,426	....	26,054	4,390	....	26,902

TABLE 14. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY MONTH AND TYPE OF LOAN, CANADA, 1947. — *Continued.*

Item No.	Type of Loan	July			August			September		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm—New Construction									
1	Residential-Single Dwellings	1,906	1,907	8,566	1,491	1,491	6,694	1,706	1,706	7,969
2	Residential-Multiple Dwellings	136	698	2,251	170	600	1,866	217	775	2,783
3	Sub-total (Items 1 + 2)	2,042	2,605	10,817	1,661	2,091	8,560	1,923	2,481	10,752
4	Other Real Estate	100	......	3,345	85	......	1,734	78	......	1,865
5	Total (Items 3 + 4)	2,142	......	14,162	1,746	......	10,294	2,001	......	12,617
	Non-Farm—Existing Property									
6	Residential-Single Dwellings	1,687	1,687	5,258	1,557	1,557	4,913	1,767	1,767	5,616
7	Residential-Multiple Dwellings	207	1,116	1,936	206	1,232	2,138	239	1,112	1,901
8	Sub-total (Items 6 + 7)	1,904	2,803	7,194	1,763	2,789	7,051	2,006	2,879	7,517
9	Other Real Estate	121	......	2,623	107	......	2,023	108	......	2,079
10	Total (Items 8 + 9)	2,025	......	9,817	1,870	......	9,074	2,114	......	9,596
11	ALL NON-FARM (Items 5 + 10)	4,167	......	23,979	3,616	......	19,368	4,115	......	22,213
	Farm—New Construction and Existing Property									
12	Residential and Other Purposes	103	......	387	117	......	493	123	......	499
13	GRAND TOTAL (Items 11 + 12)	4,270	......	24,366	3,733	......	19,861	4,238	......	22,712

TABLE 14. — GROSS MORTGAGE LOANS ON REAL ESTATE APPROVED, BY MONTH AND TYPE OF LOAN, CANADA, 1947. — *Continued.*

Item No.	Type of Loan	October			November			December		
		Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)	Loans Number	Units Number	Amount ($000)
	Non-Farm—New Construction									
1	Residential-Single Dwellings	1,916	1,916	8,928	1,405	1,405	6,431	1,521	1,541	7,173
2	Residential-Multiple Dwellings	246	914	2,978	238	653	2,153	137	526	1,703
3	Sub-total (Items 1 + 2)	2,162	2,830	11,906	1,643	2,058	8,584	1,658	2,067	8,876
4	Other Real Estate	117	......	2,199	105	......	1,975	60	......	2,007
5	Total (Items 3 + 4)	2,279	......	14,105	1,748	......	10,559	1,718	......	10,883
	Non-Farm—Existing Property									
6	Residential-Single Dwellings	1,898	1,898	6,139	1,442	1,442	4,742	1,263	1,263	4,229
7	Residential-Multiple Dwellings	236	1,021	1,865	272	1,205	2,437	199	1,133	1,698
8	Sub-total (Items 6 + 7)	2,134	2,919	8,004	1,714	2,647	7,179	1,462	2,396	5,927
9	Other Real Estate	148	......	2,688	127	......	3,144	149	......	2,848
10	Total (Items 8 + 9)	2,282	......	10,692	1,841	......	10,323	1,611	......	8,775
11	ALL NON-FARM (Items 5 + 10)	4,561	......	24,797	3,589	......	20,882	3,329	......	19,658
	Farm—New Construction and Existing Property									
12	Residential and Other Purposes	198	......	894	224	......	888	140	......	622
13	GRAND TOTAL (Items 11 + 12)	4,759	......	25,691	3,873	......	21,770	3,469	......	20,280

TABLE 15. — HOUSING UNITS STARTED, BY TYPE OF PROJECT, CANADA, 1947.

Item No.	Type of Project	Housing Units Started	
		Number	Per Cent
1	Temporary Housing(1)	3,662	4.50
2	Permanent Housing	77,742	95.50
3	TOTAL	81,404	100.00
4	Publicly Assisted Housing(2)	24,234	29.77
5	Privately Financed Housing	57,170	70.23
6	TOTAL	81,404	100.00
7	Institutionally Financed Housing(3)	25,098	30.83
8	All Other Housing	56,306	69.17
9	TOTAL	81,404	100.00
10	Owner Occupancy Housing(4)	55,357	68.00
11	Rental Housing(5)	26,047	32.00
12	TOTAL	81,404	100.00
13	Single Unit Housing	60,423	74.23
14	Multiple Unit Housing	20,981	25.77
15	TOTAL	81,404	100.00
16	Urban Housing(6)	60,415	74.23
17	Rural Housing	20,989	25.77
18	TOTAL	81,404	100.00

(1) See Items 3 and 6 of Table 16.
(2) See Item 21 of Table 16.
(3) See Items 16, 19 and 27 of Table 16 and footnote 10 to Item 28 of Table 16.
(4) See Item 23 of Table 17.
(5) See Item 24 of Table 17.
(6) Including rural areas forming part of metropolitan areas.

TABLE 16. — HOUSING UNITS STARTED, BY SOURCE OF FINANCING, CANADA, 1947. *

Item No.	Source of Financing	Housing Units Started	
		Number	Per Cent
	DIRECT GOVERNMENT HOUSE BUILDING		
	Dominion Projects		
1	Veterans' Land Act, 1942(1)	1,963	2.41
2	Housing Projects for Married Service Personnel (2) (Permanent)	481	.59
3	Housing Projects for Married Service Personnel (2) (Temporary)	824	1.01
4	Sub-total (Items 1 + 2 + 3)	3,268	4.01
	Dominion-Municipal Projects		
5	Veterans' Projects through C.M.H.C.(3)	6,724	8.26
6	Emergency Shelter	2,838	3.49
7	Sub-total (Items 5 + 6)	9,562	11.75
8	Total Direct Government House Building (Items 4 + 7)	12,830	15.76
	GOVERNMENT FINANCING OF HOUSE BUILDING		
	Direct Government Loans		
9	National Housing Act, 1944 (Outlying areas, etc.)(4)	673	.83
10	Canadian Farm Loan Act, 1927(5)	57	.07
11	Sub-total (Items 9 + 10)	730	.90
	Government-Institutional Joint Loans (National Housing Act, 1944) (6)		
12	Life Insurance Companies	9,791	12.03
13	Trust Companies	91	.11
14	Loan Companies	385	.47
15	Fraternal Societies	3	.01
16	Sub-total (Items 12 + 13 + 14 + 15)	10,270	12.61
	Government Guarantees to Lending Institutions		
17	National Housing Act, 1944 (Home Extension) (7)	17	.02
18	Farm Improvement Loans Guarantee Act, 1944(5)	387	.48
19	Sub-total (Items 17 + 18)	404	.50
20	Total Government Financing of House Building (Items 11 + 16 + 19)	11,404	14.01
	DIRECT AND GOVERNMENT FINANCING OF HOUSE BUILDING		
21	All Government-Assisted House Building (Items 8 + 20)	24,234	29.77
	PRIVATE FINANCING OF HOUSE BUILDING		
	Direct Institutional Loans(8)		
22	Life Insurance Companies	8,963	11.01
23	Trust Companies	1,250	1.54
24	Loan Companies	3,752	4.61
25	Fraternal Societies(9)	419	.51
26	Fire Insurance Companies	40	.05
27	Sub-total (Items 22 + 23 + 24 + 25 + 26)	14,424	17.72
	Other Financing		
28	Individual, Cooperative and Owner Financing(10)	42,746	52.51
29	Total Private Financing of House Building (Items 27 + 28)	57,170	70.23
30	GRAND TOTAL (Items 21 + 29)	81,404	100.00

* See page 57 for footnotes to Table 16.

Footnotes to Table 16.

(1) This item covers small holdings, individual projects, full-time farming and commercial fishing under Section 9 and settlement on Dominion-provincial lands and Indian reserves under Sections 35 and 35A.

(2) Including employees of the Defence Research Board.

(3) These are low-rental housing projects for veterans and their families, formerly undertaken by Wartime Housing Ltd., now continued by Central Mortgage and Housing Corporation.

(4) This item covers starts of units financed under Part II, Sections 9 and 9A and Part VI, Section 31A of the National Housing Act, 1944.

(5) The figures shown for operation under this Act relate to the number of residential structures for which loans were actually made.

(6) This item covers starts of units for home ownership and rental financed under Parts I and II of the National Housing Act, 1944. Joint loans are financed 25 per cent by government and 75 per cent by lending institutions, secured in part by Dominion guarantees.

(7) This item covers net loans approved with guarantees under Part IV of the National Housing Act, 1944.

(8) Figures are an estimate of starts of all units (including an allowance for non-reporting companies and farm housing) financed by lending institutions, excluding units financed under the National Housing Act, 1944 (Items 12 to 16).

(9) Includes Mutual Benefit Societies and Pension Funds Associations.

(10) This item being a residual, is arrived at by subtracting Items 21 and 27 of this Table from the estimated number of total starts shown in Item 30. It includes a small number of units financed by commercial banks.

Footnotes to Table 17.

(1) This item covers small holdings, individual projects, full-time farming and commercial fishing under Section 9 and settlement on Dominion-provincial lands and Indian reserves under Sections 35 and 35A.

(2) This item covers both permanent and temporary housing units and includes accommodation for employees of the Defence Research Board.

(3) These are low-rental housing projects for veterans and their families, formerly undertaken by Wartime Housing Ltd., now continued by Central Mortgage and Housing Corporation.

(4) This item covers starts of units financed, both jointly and directly under Part I and Part VI, Section 31A of the National Housing Act, 1944. Excluded are 352 units for rent in duplexes approved under Part I.

(5) The figures shown for operation under this Act relate to the number of residential structures for which loans were actually made.

(6) This item covers starts of units financed, both jointly and directly under Part II and units built under Home Extension Loan Guarantees under Part IV of the National Housing Act, 1944. Also included are rental unit starts financed under Part I of the National Housing Act, 1944 (see footnote 4).

(7) Figures relate to estimated starts of single dwelling units for which loans were approved by the lending institutions covered in Item 27 of Table 16. They exclude starts of units financed by joint loans under the National Housing Act, 1944, shown in Item 16 of Table 16.

(8) This item being a residual is arrived at by subtracting Items 13 and 16 of this table from an estimated total of housing units started for owner occupancy. It includes a small number of units financed by commercial banks.

(9) Figures relate to estimated starts of multiple dwellings for which loans were approved by the lending institutions covered in Item 27 of Table 16. They exclude starts of units financed by joint loans under the National Housing Act, 1944, shown in Item 16 of Table 16.

(10) This item being a residual is arrived at by subtracting Items 14 and 19 of this table from an estimated total of rental housing units started.

TABLE 17. — HOUSING UNITS STARTED, BY TYPE OF OCCUPANCY, CANADA, 1947.*

Item No.	Type of Occupancy	Housing Units Started	
		Number	Per Cent
	DIRECT GOVERNMENT HOUSE BUILDING		
	Owner Occupancy		
1	Veterans' Land Act, 1942(1)	1,963	2.41
	Rental		
2	Housing Projects for Married Service Personnel(2)	1,305	1.60
3	Veterans' Projects through C.M.H.C.(3)	6,724	8.26
4	Emergency Shelter	2,838	3.49
5	Sub-total (Items 2 + 3 + 4)	10,867	13.35
6	Total Direct Government House Building (Items 1 + 5)	12,830	15.76
	GOVERNMENT FINANCING OF HOUSE BUILDING		
	Owner Occupancy		
7	National Housing Act, 1944(4)	8,380	10.29
8	Canadian Farm Loan Act, 1927(5)	57	.07
9	Farm Improvement Loans Guarantee Act, 1944(5)	387	.48
10	Sub-total (Items 7 + 8 + 9)	8,824	10.84
	Rental		
11	National Housing Act, 1944(6)	2,580	3.17
12	Total Government Financing of House Building (Items 10 + 11)	11,404	14.01
	DIRECT AND GOVERNMENT FINANCING OF HOUSE BUILDING		
13	Owner Occupancy (Items 1 + 10)	10,787	13.25
14	Rental (Items 5 + 11)	13,447	16.52
15	Sub-total (Items 13 + 14)	24,234	29.77
	PRIVATE FINANCING OF HOUSE BUILDING		
	Owner Occupancy		
16	Direct Institutional Financing(7)	9,045	11.11
17	Individual, Cooperative and Owner Financing(8)	35,525	43.64
18	Sub-total (Items 16 + 17)	44,570	54.75
	Rental		
19	Direct Institutional Financing(9)	5,379	6.61
20	Individual, Cooperative and Owner Financing(10)	7,221	8.87
21	Sub-total (Items 19 + 20)	12,600	15.48
22	Total Private Financing of House Building (Items 18 + 21)	57,170	70.23
23	All Owner Occupancy (Items 13 + 18)	55,357	68.00
24	All Rental (Items 14 + 21)	26,047	32.00
25	GRAND TOTAL (Items 23 + 24)	81,404	100.00

* See page 57 for footnotes to Table 17.

PART III

DEFINITIONS AND SOURCES

DEFINITIONS AND SOURCES

Basically, the data of mortgage lending in Canada in 1946 and 1947 are the result of a new survey initiated in January of 1947. However, it was possible to obtain background data on mortgage lending in Canada and supplementary information on housing finance and related statistics from other sources.

This part provides, first, an explanation of the definitions used in this report and, second, gives an indication of the sources, survey and estimating methods used in arriving at the data shown in Tables 1 to 17 in Part II.

Definitions

The following definitions of gross and net loans on real estate approved are based on the customary procedure followed by most of the larger lending institutions in Canada. Where this procedure differs from that adopted by smaller lending institutions specific reference is made.

Gross Loans on Real Estate Approved—These are commitments made by lending institutions with regard to applications for loans on the security of real estate, which may be subject to full agreement being reached between the lending institution and the borrower with respect to the lending value of the real estate and the amount and terms of the loan. If after a more complete appraisal of all factors involved, agreement on all these points cannot be reached, the loan may be cancelled by the lending institution or the prospective borrower, or the amount of the original loan increased or decreased. In total, gross loans approved reflect all approvals granted during the year irrespective of subsequent cancellations or adjustments.

Net Loans on Real Estate Approved — These are the total gross loans approved during the year less cancellations and decreases and plus reinstatements and increases of loans made during the year or in a prior year. The figure of net loans approved may include some loans made during the latter part of the period which will be cancelled or adjusted during the following year. These changes will affect the net approvals of the year in which such cancellations or adjustments are made.

The difference between the amount of gross loans approved and net loans approved (in 1947, net loans were 87 per cent of gross loans) is occasioned largely by three factors:

(a) changing economic conditions which force the borrower to abandon the assumption of a long-term burden of debt,

(b) in the case of a loan for new construction, the delay in starting construction beyond a specified period may involve cancellation of the loan on the part of the mortgagee,

(c) "shopping" for loans on the part of the prospective borrower, that is, applying to several lending institutions for a loan secured by real estate in search of one which will grant a larger loan and/or more liberal terms.

Monthly returns filed by, and correspondence with, relatively small lending institutions indicate that the margin between gross and net loans approved by them is very small. The practice of most of these companies is not to record the approval of a loan until the mortgage has been executed.

Cash Disbursements on Mortgage Loan Account — When a loan on real estate has been registered, there exists on the part of the mortgagee a commitment for the full amount of the loan. This may be met by a single payment by the mortgagee to the mortgagor or payment may be made in several instalments. The latter practice is usually followed in the case of loans for new construction. The payments by the mortgagee against mortgage loan commitments are termed "cash disbursements on mortgage loan account". In the present survey, cash disbursements against mortgage loan account do not include taxes and other charges advanced by the mortgagee. In the case of a company approved to operate under the National Housing Act, 1944, cash disbursements include only funds paid out to meet the company's share, 75 per cent, of the full amount of the loan commitment.

Measurement of Volume of Real Estate Lending — In the present survey use has been made of each of the three concepts defined above in measuring the volume of institutional real estate lending. Each method of measurement has certain advantages and disadvantages.

As information is readily available showing the type of real estate serving as security, the gross loan approved method has the advantage of indicating the amount of the loan, its purpose and its economic effect at a given time, that is, at the time of agreement between mortgagee and mortgagor. The disadvantage lies in the fact that agreements may be altered or cancelled at a later date. Gross loans approved do not necessarily indicate a flow of funds. Monthly data are being obtained and shown for 1947 in this report.

The net loans approved method tends to level out the overstatements of amounts contained in the previous method discussed. It does, however, introduce some distortion inasmuch as cancellation of loans made in a prior period necessitates adjustments in the period in which the cancellation takes place. This adjustment may understate the actual volume of lending during the period. In this survey only annual data are available for net loans approved.

The disbursements method has the advantage of indicating the flow of funds to the economy when that flow actually takes place. The disadvantage lies in the fact that, as funds for single loans are frequently paid out in several instalments, the number of payments do not reflect the number of loans and the number of projects financed in a given period. Further, since cash disbursements made by private lending institutions for loans approved under the National Housing Act, 1944, cover only 75 per cent of the total amount, cash disbursements will not reflect the full amount paid to borrowers. Data are obtained only on an annual basis.

Residential Real Estate — Residential real estate covers land and structures used for residential purposes. Property serving several purposes, e.g. a building comprising a store on the first floor and living quarters on the second floor or on the back of the store is classed as residential unless living accommodation provided on the premises is incidental to the project, e.g. living accommodation for a watchman at a plant.

Other Real Estate — Other real estate includes land and structures of such commercial properties as hotels, stores, office buildings, garages, theatres and warehouses, industrial plants, institutional properties and vacant land.

Single Family Dwellings — Single family dwellings are defined as structurally separate units designed to provide living accommodation for one family or one household. Semi-detached dwellings, which consist of two dwelling units side by side with a common wall, are classified as two single family dwellings when the two units are financed separately.

Multiple Family Dwellings — Multiple family dwellings include all residential structures comprising two or more units, e.g. duplex and triplex, double duplex, row and terrace houses and flat and apartment buildings. Two semi-detached family dwellings are classified as multiple family dwellings when the two units are financed under one loan.

New Construction — Loans approved for new construction refer to all loans made for the erection of new structures or major additions and improvements to existing structures, if the additions and improvements create new units for residential purposes, or new facilities for commercial or industrial use.

Existing Property — Loans approved on existing property include all loans for the purchase or refinancing of existing property, the improvement of both land and structures and additions to structures, except major improvements and additions creating separate units for living or working space.

Sources of Tables 1 to 17

TABLE 1.—LENDING INSTITUTIONS WITH AND WITHOUT MORTGAGE LOANS ON REAL ESTATE OUTSTANDING, CANADA, AS AT DECEMBER 31, 1946.

Data on number of companies and the amount of loans on real estate outstanding obtained for:

Life insurance companies and fraternal societies from the *Abstract of Statements of Insurance Companies of Canada, 1946,* King's Printer, Ottawa, 1947; *Preliminary Tables of Sixty-Eighth Annual Report of the Superintendent of Insurance of the Province of Ontario, 1947 (Business of 1946),* Printer to the King's Most Excellent Majesty, Toronto, 1947; *Annual Report of the Superintendent of Insurance for the Province of Quebec, 1947 (Business of 1946),* Quebec, 1947; *Annual Report of the Superintendent of Insurance for the State of New York,* Albany, 1947; communications from the Superintendents of Insurance for the Provinces of Manitoba, Saskatchewan and Alberta.

Trust and loan companies by courtesy of the Superintendent of Insurance for Canada for those companies which file returns with the Dominion Department of Insurance; *Report of the Registrar of Loan Corporations, Ontario, 1947 (Business of 1946),* Printer to the King's Most Excellent Majesty, Toronto, 1947; *Summary of Financial Statements Filed with the Office of the Inspector by Trust Companies for the Year ended December 31st, 1946,* Quebec, 1947; correspondence with individual loan companies in the Province of Quebec and trust and loan companies in the Provinces of Manitoba, Saskatchewan, Alberta and British Columbia.

Fire insurance companies from *Report of the Superintendent of Insurance of the Dominion of Canada, Insurance Companies Other Than Life, 1946,* King's Printer, Ottawa, 1948; *Preliminary Tables of Sixty-Eighth Report of the Superintendent of Insurance of the Province of Ontario, 1947 (Business of 1946),* Printer to the King's Most Excellent Majesty, Toronto, 1947; *Annual Report of the Superintendent of Insurance for the Province of Quebec, 1947 (Business of 1946),* Quebec, 1947; *Annual Report of the Superintendent of Insurance and Fire Commissioner, Alberta, 1946,* King's Printer, Edmonton, 1947; *Annual Re-*

port of the Superintendent of Insurance for the Province of New Brunswick, 1947 (Business Transacted in 1946), Fredericton, 1948; communications from the Superintendents of Insurance for the Provinces of Manitoba, Saskatchewan and British Columbia.

Data on loans on real estate outstanding for life insurance companies, fraternal societies, trust and loan companies which file reports with the Superintendent of Insurance for Canada, and life and fire insurance companies and fraternal societies which file reports with the Superintendent of Insurance of the Province of Ontario are preliminary and subject to revision. Mortgage loans and agreements for sale held abroad by Canadian companies have been excluded. Data on all companies exclude interest on mortgage loans due and accrued.

The method used in distinguishing between companies which made loans during 1946 and those which did not make loans is explained in the notes to Table 2.

TABLE 2.—LENDING INSTITUTIONS MAKING MORTGAGE LOANS ON REAL ESTATE IN 1946 COVERED IN MONTHLY SURVEY, CANADA, 1947.

Data on the source of information covering the number of lending institutions and the amount of loans on real estate outstanding are contained in the notes for Table 1.

Data on the number of companies making loans during 1946 and the amount of the loans made were compiled by the Economic Research Division, Central Mortgage and Housing Corporation, based on figures of cash disbursements on mortgage loan account made during the period under review. The data were obtained by direct survey method of all institutions with loans on real estate outstanding as at the end of 1946.

The number of lending institutions making loans in 1946 is the number which made cash disbursements on mortgage loan account during this period. The amount of mortgage loans made during 1946 is the amount of cash disbursed on mortgage loan account during the year by these companies.

TABLE 3.—LOANS ON REAL ESTATE OUTSTANDING, BY TYPE OF LENDING INSTITUTION, CANADA, 1919 - 1946.

Data on sources of information covering the amount of loans on real estate outstanding as at December 31, 1946, are contained in the notes for Table 1.

Data for prior years for life insurance companies and fraternal societies obtained from annual issues of *Report of the Superintendent of Insurance of the Dominion of Canada, Vol. II, Life Companies,* for the years 1919 to 1945; *Report of the Superintendent of Insurance for the Province of Ontario,* for the years 1919 to 1945; *Report of the Superintendent of Insurance for the Province of Quebec,* and *Report on Mutual Benefit Associations,* Insurance Branch, Quebec, 1919 to 1933, for the years 1919 to 1945; *Report of the Superintendent of Insurance and Fire Commissioner for the Province of Manitoba,* for the years 1919 to 1945; *Report of the Superintendent of Insurance and Fire Commissioner for the Province of Alberta,* for the years 1919 to 1945; *Annual Report of the Superintendent of Insurance for the State of New York, Albany,* for the years 1919 to 1945; communications from the Superintendents of Insurance for the Provinces of Saskatchewan and British Columbia.

Data on trust and loan companies obtained from the *Report of the Year 1919 of the Loan and Trust Companies Incorporated by Acts of Parliament of Canada,* prepared by order of the Deputy Minister of Finance, and from annual issues of the *Report of the Superintendent of Insurance of the Dominion of Canada, Loan and Trust Companies,* for the years 1920 to 1945; *Report of the Registrar of Loan Corporations for the Province of Ontario,* for the years 1919 to 1945; *Summary of Financial Statements Filed with the Office of the Inspector by Trust Companies, Quebec,* for the years 1919 to 1945; communications from the Registrars of Companies for the Provinces of Saskatchewan and Alberta, and the Superintendent of Insurance of the Province of Prince Edward Island; correspondence with individual loan companies in the Province of Quebec, trust and loan companies in Manitoba, not subject to inspection by the Dominion Superintendent of Insurance, and trust and loan companies in Saskatchewan, Alberta and British Columbia.

Data on fire insurance companies obtained from annual issues of *Report of the Superintendent of Insurance of the Dominion of Canada, Vol. I, Insurance Companies Other Than Life,* for the years 1919 to 1945; *Report of the Superintendent of Insurance for the Province of Ontario,* for the years 1919 to 1945; *Report of the Superintendent of Insurance for the Province of Quebec,* for the years 1919 to 1945; *Report of the Superintendent of Insurance and Fire Commissioner for the Province of Manitoba,* for the years 1919 to 1945; *Report of the Superintendent of Insurance and Fire Commissioner for the Province of Alberta,* for the years 1919 to 1945; *Report of the Superintendent of Insurance for the Province of New Brunswick,* for the years 1919 to 1945; communications from the Superintendents of Insurance for the Provinces of Saskatchewan, British Columbia and Prince Edward Island.

(1) Data on all companies exclude interest on mortgage loans due and accrued.

(2) Data refer to all mortgage transactions, residential, commercial, industrial, and other types, both farm and non-farm conducted in Canada.

(3) Data on British life and fire insurance companies for the years 1919 to 1946 include only loans on real estate outstanding in Canada which are held solely for the protection of Canadian policyholders or against Canadian liabilities.

(4) Data on trust companies refer to mortgage investments made out of company and guaranteed funds only, and do not include mortgage investments made out of trust, agency and estate funds.

(5) In the provinces which do not publish annual reports on the operations of the trust and loan companies incorporated under the statutes of the province (Quebec—loan companies only; Manitoba—loan and trust companies not subject to inspection by the Dominion Department of Insurance; loan and trust companies in Saskatchewan, Alberta and British Columbia) data on loans on real estate outstanding were obtained from the individual companies.

All data are complete for these companies for the years 1939 to 1946, or until the year of cessation of operations for those companies which went out of business during this period. Data for the period prior to 1939 were incomplete for seven smaller companies but estimates were made for loans on real estate held by these companies to assure comparability of the series over the whole period.

TABLE 4.—NET CHANGES OF LOANS ON REAL ESTATE OUTSTANDING, BY TYPE OF LENDING INSTITUTION, CANADA, 1920-1946.

Sources of data are the same as those for Table 3.

TABLE 5.—LOANS ON REAL ESTATE OUTSTANDING, BY TYPE OF REGISTRATION OF LENDING INSTITUTION, CANADA, 1919-1946.

Sources for the amounts of loans on real estate outstanding as at the end of each year for the years 1919 to 1946 are contained in the notes for Table 3.

(1) Data on companies with Dominion registration include all companies in the five groups covered by the survey which were incorporated by the Dominion of Canada, and British and foreign life and fire insurance companies and fraternal societies.

(2) In addition, data on companies with Dominion registration include:

(a) two life insurance companies incorporated by Special Acts of the Legislature of the Province of Ontario and one life insurance company incorporated by Special Act of the Legislature of the Province of Nova Scotia which have voluntarily sought Dominion registration.

(b) fire insurance companies incorporated by Special Acts of the Legislatures of Nova Scotia (7), Ontario (1), Manitoba (1), which have voluntarily sought Dominion registration.

(c) two loan companies incorporated by Special Acts of the Legislature of Nova Scotia but inspected by the Dominion Department of Insurance.

(d) trust companies incorporated by Special Acts of the Legislatures of Nova Scotia (3), New Brunswick (2), and Manitoba (4), but inspected by the Dominion Department of Insurance.

TABLE 6.—NET CHANGES OF LOANS ON REAL ESTATE OUTSTANDING, BY TYPE OF REGISTRATION OF LENDING INSTITUTION, CANADA, 1920-1946.

Sources of data are the same as those for Table 5.

TABLES 7 - 14.—VOLUME OF MORTGAGE LENDING BY LENDING INSTITUTIONS, CANADA, 1946-1947.

Data compiled by the Economic Research Division, Central Mortgage and Housing Corporation, in co-operation with Dominion Mortgage and Investments Association, Toronto. The survey covers returns submitted by 122 lending institutions making loans on real estate in Canada.

TABLE 15.—HOUSING UNITS STARTED, BY TYPE OF PROJECT, CANADA, 1947.

Data compiled by the Economic Research Division, Central Mortgage and Housing Corporation.

The total number of housing unit starts was estimated from data supplied by the Dominion Bureau of Statistics and represents the total number of housing units completed in 1947 (79,359)[1], plus the number of housing units under construction at the end of 1947, excluding conversions (42,215), less the number of housing units under construction at the end of 1946 excluding conversions (40,170). While no survey was made of housing conversions under way at the end of 1946 and 1947, it appears from partial data available that the number of conversions under way at the end of 1947 was smaller—perhaps to the extent of 1,000 units—than the comparable number at the end of 1946. This would tend to offset an upward adjustment in the estimate of starts should the final estimate of completions during 1947 be slightly higher than the preliminary estimate available at present.

The breakdown of 1947 starts between permanent and temporary units was arrived at by subtracting known temporary starts (Items 3 and 6 of Table 16) from total starts.

The breakdown between publicly assisted and privately financed housing was arrived at by subtracting publicly assisted starts (Item 21, Table 16) from total starts.

The breakdown between institutionally financed housing (Items 16, 19 and 27, Table 16) and all other housing was arrived at in the same way.

Owner-occupancy starts are an estimate based on subtracting from single unit starts the number of single units known to be built for rental including veterans' housing projects built by C.M.H.C., armed service married quarters and projects under the National Housing Act, 1944. Rental starts are a residual arrived at by substracting owner-occupancy starts from total starts in Canada.

The number of single-unit starts was based on data obtained from the Dominion Bureau of Statistics and represents total single-unit completions during 1947 (58,883), plus the number under construction at the end of 1947 (34,152), less the number under construction at the end of 1946 (32,612). Multiple unit starts represent the difference between total estimated starts (81,404) and estimated single-unit starts (60,423).

The breakdown between urban and rural housing starts in 1947 was estimated by the use of the ratio of urban-rural completions during 1947, as obtained from the Dominion Bureau of Statistics.

TABLE 16.—HOUSING UNITS STARTED, BY SOURCE OF FINANCING, CANADA, 1947.

Data compiled by the Economic Research Division, Central Mortgage and Housing Corporation.

Data on operation of Veterans' Land Act, 1942 (Item 1) obtained from the Statistical Division, Administrative Services, Veterans' Land Act Administration.

(1) Estimated as of May 15, 1948.

Data on housing projects for armed service personnel (Items 2 and 3) obtained by courtesy of the Joint Services Accommodation Committee, Department of National Defence.

Data on veterans' projects through Central Mortgage and Housing Corporation (Item 5), Emergency Shelter housing (Item 6), and loans under the National Housing Act, 1944 (Items 9 and 16) obtained from the records of the Central Mortgage and Housing Corporation.

Data on loans under the Canadian Farm Loan Act, 1927 (Item 10) obtained by courtesy of the Canadian Farm Loan Board.

Data on guarantees for home extension loans under the National Housing Act, 1944 (Item 17) obtained from the records of the Central Mortgage and Housing Corporation.

Data on loan guarantees under the Farm Improvement Loans Guarantee Act, 1944 (Item 18) obtained by courtesy, the Supervisor, Farm Improvement Loans Guarantee Act, Department of Finance.

The figure of the number of units financed by direct institutional loans (Item 27) is an estimate prepared by the Economic Research Division, Central Mortgage and Housing Corporation, based on returns submitted by 122 companies included in the monthly survey. The estimate covers all actual starts, i.e. including an allowance for non-reporting companies and for farm units but excluding starts that may not have occurred due to cancellation of loans. This figure excludes joint loans under the National Housing Act, 1944 (Item 16).

Individual, co-operative and owner financing (Item 28) is a residual arrived at by deducting total known starts (Items 21 and 27) from the estimated number of all starts in Canada (Item 30).

TABLE 17.—HOUSING UNITS STARTED, BY TYPE OF OCCUPANCY, CANADA, 1947.

Data compiled by Economic Research Division, Central Mortgage and Housing Corporation.

Sources for Items 1-22 are the same as shown in Table 16.

Sources for Items 23 and 24, see notes to Items 10 and 11 of Table 15.