CHAPTER ONE

On Progress in Housing Canadians

John R. Miron

Housing is important to Canadians. For most of us, the purchase of a home is our single largest capital expenditure. And, whether owning or renting, shelter costs typically are a large component of the household budget. Housing is such an important component of consumer spending that, worldwide, it is used as an indicator of the standard of living. Also, from lumber, bricks, and nails to bathroom fixtures to carpeting to appliances, each new dwelling built has important effects throughout the economy. These effects flowed, in the 1980s, at the rate of about one new dwelling in Canada every 2.5 minutes. When so much is spent on housing, it is only natural to ask: "Has the money been spent wisely?" Have we spent too much on housing, at the expense of other forms of consumption or investment? Or, alternatively, should we have spent even more?

The Canadian concern with housing also has partly to do with climate. From the time of French explorer Samuel de Champlain's earliest settlements in the early seventeenth century, written records detail the harsh winters and the consequent need for adequate, durable housing. Early structures typically had little insulation, poor foundations, few windows, dirt floors or wood planking, no inside water or toilet facilities, and no central heating. As building materials were bulky to transport, indigenous materials were employed resulting in regional variations in building forms. Throughout much of Canada, however, the problem has been the same: to protect households adequately from long and inhospitable winters. To be poorly housed is to invite discomfort, ill health, the wrath of the elements, the spoiling of one's possessions, or personal injury.

In addition to providing protection from the elements, housing is important in the broader sense of determining an individual's quality of life and the achievement of various social goals. Satisfactory housing can make a vital contribution to equality of opportunity, the redistribution of wealth, and the nurturing of individual dignity and freedom of choice. Housing also fulfils our need for privacy. Home is the place where we usually sleep, prepare and eat food, attend to physical and emotional needs, and engage in family life. It is a place where we can be with our family or friends, a place where we can get away from the rest of society and be free from intrusion or observation. Indeed, housing
### Table 1.1
Comparing the housing conditions of Canadians, 1941 and 1986

<table>
<thead>
<tr>
<th></th>
<th>1941</th>
<th>1986</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population ('ooos)</td>
<td>11,507</td>
<td>25,354</td>
</tr>
<tr>
<td>In urban areas</td>
<td>6,252</td>
<td>19,392</td>
</tr>
<tr>
<td>In collective dwellings</td>
<td>368</td>
<td>434</td>
</tr>
<tr>
<td>Occupied private dwellings ('ooos)</td>
<td>2,573</td>
<td>8,992</td>
</tr>
<tr>
<td>Rooms per dwelling</td>
<td>5.3</td>
<td>5.8</td>
</tr>
<tr>
<td>Persons per dwelling</td>
<td>4.5</td>
<td>2.8</td>
</tr>
<tr>
<td>Persons per room</td>
<td>0.8</td>
<td>0.5</td>
</tr>
<tr>
<td>Owned homes (%)</td>
<td>57</td>
<td>62</td>
</tr>
<tr>
<td>In urban areas</td>
<td>40</td>
<td>57</td>
</tr>
<tr>
<td>Single detached dwellings (%)</td>
<td>71</td>
<td>58</td>
</tr>
<tr>
<td>In urban areas</td>
<td>49</td>
<td>49</td>
</tr>
<tr>
<td>Dwellings (%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In need of major repair</td>
<td>27</td>
<td>7†</td>
</tr>
<tr>
<td>Using stove or space heater</td>
<td>61</td>
<td>7†</td>
</tr>
<tr>
<td>Using coal, coke, or wood fuel</td>
<td>93</td>
<td>4†</td>
</tr>
<tr>
<td>With refrigerator</td>
<td>21</td>
<td>98‡</td>
</tr>
<tr>
<td>With piped running water</td>
<td>61</td>
<td>96‡</td>
</tr>
<tr>
<td>With inside flush toilet</td>
<td>56</td>
<td>94‡</td>
</tr>
<tr>
<td>With installed bath or shower</td>
<td>45</td>
<td>91‡</td>
</tr>
</tbody>
</table>

**Source:** Taken from *Census of Canada 1941 and 1986*. Total population for 1986 includes estimates on incompletely enumerated Indian reserves and Indian settlements.

† Data shown are from the *Census of Canada 1981* and are latest available.

‡ Data shown are from the *Census of Canada 1971* and are latest available.

needs and circumstances figure, directly or indirectly, in most aspects of everyday life.

*Setting the Historical Stage*

The year 1945 is an appropriate point to begin the modern history of housing in Canada. The end of World War II was a time when Canadians were bracing themselves for an uncertain future as the memory of the hardship and misfortune generated by the Great Depression of the 1930s lingered. Although employment rose during the War, wages remained low and consumer goods were rationed. Fears were expressed of a return to a stagnant economy upon post-war demobilization. At the same time, concern was expressed for Canada's declining birth rate. After having dropped steadily in the 1920s and 1930s, fertility was approaching a level that would lead to absolute population decline, which was
expected to contribute further to economic stagnation by reducing aggregate demand.

THE HOUSING STOCK AROUND 1945
The 1941 Census found that just over half of all Canadians lived in urban areas (Table 1.1). A few of these individuals (368,000) lived in "collective" dwellings such as hospitals, nursing homes, hotels, tourist homes, lodging houses, work camps, staff or student residences, or barracks. The vast majority (11.1 million persons) lived in about 2.6 million "private" dwellings — an average of 4.5 persons per dwelling. About 40% of the private dwellings in urban areas were owner occupied, compared to 75% in rural areas. Just over 70% of all dwellings in Canada were single detached structures, but in urban areas, the figure was just 50%. Private dwellings averaged 5.3 rooms.

Such aggregate figures do not indicate much about the condition or quality of this housing stock. Census enumerators found that 27% of all private dwellings in 1941 were in need of major repair. Urban dwellings, and those located in more prosperous Ontario, Quebec, and British Columbia were generally larger or better equipped than those in the rest of Canada. About 60% of all dwellings relied on stoves or space heaters and 93% used coal, coke, or wood as their heating fuel. Although almost all urban dwellings had electricity, only 20% of rural dwellings were so equipped, and many had only a 25 hertz supply. Only 21% of all private dwellings had a mechanical refrigerator; most of the rest relied on ice boxes. Only 60% of dwellings had piped running water; 56% had an inside flush toilet; and 45% had a private installed bath or shower. It has also been estimated that the average age of a private dwelling in Canada at that time was about thirty years (Firestone 1951, 49).

Many households, especially those with low incomes, were living in housing that was inadequate for their needs or too costly given their incomes. The Curtis Report (Canada 1944, 110-22) estimated that, among the bottom third of metropolitan renter households by income in 1941, 89% paid more than one-fifth of earnings on rent and that 28% lived in quarters with more than one person per room. Among the middle third of renters, the corresponding figures were 53% and 21%. Overall, the Curtis Report (Canada 1944, 12-3) saw a need for 230,000 more urban dwellings, 23,000 more rural non-farm dwellings, 125,000 more rural farm dwellings as of 1946 — almost 15% of 1941 stock — to replace sub-standard and overcrowded housing in Canada.

Housing in Canada has traditionally been produced largely within the private sector, albeit with significant public regulation, implicit and explicit subsidization, and direct government involvement. Prior to 1945 involvement by the public sector was relatively limited. Nonetheless, by 1945 the principal elements of federal post-war housing policy had already been tried out. The first modern instance of a housing program was the $25 million loan program of 1918 that made mortgage money available for the construction of new-owned homes. The program provided low-interest mortgage loans with small downpayments.
and a long amortization period. The target of this policy was the young returning soldier of modest income who needed help to purchase a small home. A similar program was enacted during World War II. In between came the Dominion Housing Act of 1935. To speed recovery from the Great Depression, this Act provided for cheap and flexible first mortgage loans to buyers of new, moderately-priced dwellings. The target was the young home buyer with a modest income. The Canadian Farm Loan Act of 1927 provided similar assistance (for the construction of farm homes) as did the 1938 Full Recovery Low Rental Housing Program (although implementation of the latter was halted because of World War II). In addition, during World War II the federal government introduced a number of programs designed to accommodate war production workers in low-cost rental units (for example, the Home Conversion Plan, the Home Extension Plan, and the Emergency Shelter Program). In focusing on assistance to the home buyer of modest income and the low-income renter, pre-war and wartime policies foreshadowed the two key target groups of post-war housing policy.

PROGRESS SINCE 1945

In the early 1940s few people foresaw the demographic and economic booms that were about to sweep Canada. Demographically, a new wave of immigration, set off by the post-war resettlement of European refugees, marked a dramatic change from the preceding few decades; prior to that, the last big wave of immigration had been in the first decade of this century. This time, the impact of rising immigration was augmented by a surge in fertility, a drop in infant mortality, and generally increasing life expectancy. The consequence was that Canada's population more than doubled from 1941 to 1986. Accompanying this growth was a great shift in composition. With continuing improvement in longevity, the number of elderly (especially widows) proliferated. So too did the number of unmarried adults after the late 1960s, partly an effect of the sheer number of baby boomers and partly the result of an upturn in divorce and a downturn in nuptiality. For various reasons, more and more individuals came to live outside the nuclear family unit. Nonetheless, the number of families also grew rapidly in the 1960s and 1970s, a consequence of the entry of the baby boomers into adulthood and marriage. While a smaller proportion chose to marry, the total number of families actually increased.

Economically, a rapid post-war expansion of employment was made possible by much new investment. From 1945 to 1985 total employment rose by almost 150% (half again as fast as population), and per capita disposable income went up by about 200% even after discounting for inflation. Income-support schemes (such as unemployment insurance, old age security and guaranteed income supplements, and public and private pension plans) spread this affluence over a wider group of Canadians. Also important was the post-war spread of subsidized consumption (health care, higher education, and public housing, for instance) that raised effective incomes, particularly among the poor.
These demographic and economic changes boosted the demand for housing in three important ways. First, in terms of sheer numbers, a growing population requires more housing. Second, the changing composition of Canada's population contributed still more to the demand for housing. Those young singles and families, the divorced, and the widowed all contributed to rapid household formation. Third, a growing affluence that lasted until the late 1970s combined with modest increases in the cost of housing made possible an undoubling of families and the separate accommodation of non-family adults. While Canada's population doubled, the number of households surged from 2.6 million in 1941 to 9.0 million in 1986. New dwelling completions totalled in excess of 6 million units. These figures largely count just the construction of principal residences. In post-war Canada, the stock of seasonal and second homes also surged.

Accompanying this remarkable growth were important geographic shifts. By 1986 Canada's population had become largely urban. Also important was the migration of population from the Atlantic and Prairie provinces and Quebec to Ontario, Alberta, and British Columbia - flows that would have added to housing demand nationally even in the absence of overall population growth.

Another important shift was in type of dwelling. The number of persons living in collective dwellings declined as a percentage of Canada's total population between 1941 and 1986. The net result of population increasing slower than the number of private dwellings is that average household size had declined to 2.8 persons by 1986. In addition, by 1986, 56% of urban dwellings were owner occupied - a rise that reflected growing affluence, the attraction of capital gains and its favourable taxation, and the emergence of new forms of ownership, such as condominiums and co-ownership. The incidence of ownership rose in rural areas as well. The 1960s and early 1970s were also characterized by the rise of the large, privately-owned apartment building in urban areas. As urbanization and metropolitanization proceeded, single detached structures dropped to just 57% of all dwellings in Canada. However, within urban areas the shifts were principally among other types of dwellings (for example, double, row, duplex, and low-rise and high-rise apartment structures); as a percentage of the total urban housing stock, the detached dwelling declined only modestly over this period.

The post-war period also saw improvement in the quality of housing. In 1986 just 7% of all private dwellings were in need of major repair. Few relied on stoves or space heaters or used coal, coke, or wood as their heating fuel. By 1971 rural electrification and a 60 hertz supply were almost universal, as were refrigerators, piped running water, inside flush toilets, and private installed baths and/or showers. However, the stock is now aging. Only 25% of the stock in 1986 had been built in the previous decade, down from 33% in 1981 and 29% in 1971. Furthermore, the average Canadian became better housed in a structural sense. Builders gradually incorporated new materials and technologies in housing construction and renovation. These included plywood sheathing, steel girders, new fire-resistant materials, grounded wiring systems, higher insulation standards, and prefabricated components such as roof trusses, double/triple glazed
insulated windows, and kitchen cupboard components. At the same time, the incidence of crowding declined. For example, by 1986 the average number of persons per room was only 0.5, and fewer than 3% of all private dwellings contained more than one person per room.

Against this backdrop of overall improvement, it is important to keep in mind that not all Canadians have become equally well housed. Significant regional differences remain. Substandard housing is still generally more common in rural areas and the less-affluent Atlantic provinces and to a lesser extent the Prairies. Canada’s Aboriginal peoples, whether Inuit, Indian, or Métis, also tend to be housed less adequately (Figure 1.1).

Since 1945 the targets of housing policy have shifted. In broad terms, the objectives remained the same: to ensure that all Canadians were decently housed and that this housing was affordable. In the early post-war years, the focus was on improving the access of moderate-income families to owned homes. Governments then focused on better rental housing for low-income families, the elderly, students, Aboriginal peoples, and the disabled.

Over the years households with affordability problems remained a primary target of housing policy at all levels of government. However, it has proven
difficult to identify the target. In the case of home owners, the value of housing as an asset (that is, taking into account capital gains and imputed rents) makes it difficult simply to measure the cost of shelter. Among both renters and owners, it is difficult to separate temporal changes in housing costs into quality and price components.

Post-war changes in house prices, in part, mirrored the buoyancy of the Canadian economy. In the early post-war years, house prices escalated quickly as the economy boomed. However, by about 1957 the economic boom had died, and house prices slumped. From the late 1950s through the early 1960s, Canada's economy was in a recession and the price of housing declined relative to other consumer goods. Prices picked up again in the economic boom of the mid 1960s and increased at a frantic pace in the 1970s before slumping again in the recession of the early 1980s. The latter boom was also in part demographically driven as baby boomers swelled the ranks of young home buyers.

Most of the changes in the housing condition of Canadians were accommodated within private markets for both rental and owner-occupied housing. In that sense, we can think of them as outcomes of shifts in the demand for, and
supply of housing. By looking at population growth, we have already begun to consider demand factors. It has been estimated that about two-thirds of post-war household formation was directly attributable to changes in the size and demographic mix of population (Miron 1988, 119). However, the remaining one-third was the result of a greater propensity to live alone, especially among non-family individuals. In part, this was attributable to rising incomes (Figure 1.2), abetted by moderate increases in the price of housing (at least for renters) relative to other consumer prices. Canadians used part of their growing prosperity to purchase control of their living arrangement. Typically, this meant separate accommodation. In 1986, 88% of nuclear families in Canada lived by themselves, up from 79% in 1961. Among non-family persons the corresponding figure was 47%, up from 14% in 1951. The impact of rising real income on household formation in Canada has been large, accounting for about one-ninth to one-sixth of post-war household formation (Miron 1988, Chapter 6).

WHAT WAS TRIED

Also important in the post-war period have been the impacts of social policy initiatives, some of which were not even directly linked to housing. These include new income maintenance programs for the elderly,8 the unemployed,9 and low-income families and individuals and subsidy/insurance programs for basic services such as education and medical care. These programs made it possible for low-income individuals and families to devote more income to housing consumption. In subtle ways, income maintenance programs for the elderly also served to undermine the traditional role of the owned home as a nest egg for retirement.

Post-war social policy initiatives also included a concerted effort by governments to reduce the size of Canada's institutionalized population.10 A public debate about deinstitutionalization began in the 1950s and 1960s. Some argued that inmates would be better housed in the private sector. Others argued that the special services and conditions found in institutional housing could not be effectively provided outside. In many cases, the advocates of private sector housing won out. Whatever the merits of deinstitutionalization, the effect was to push many non-family individuals, often marginal in income or wage-earning potential, into the private housing market.

Also important have been the tax expenditures implicit in the relative treatment of owners and renters under Canadian income tax legislation. Governments in Canada have never taxed the capital gains on sales of principal residences; however, neither have they allowed mortgage interest to be deducted from taxable income as occurs in the United States. Since 1972 capital gains on broad classes of other assets have been taxable. This increased the attractiveness of owning a home relative to owning these other taxable assets. Moreover, governments have never attempted to tax the imputed return on equity in an owner-occupied dwelling, which further increases the attractiveness of owning over renting.
On Progress in Housing Canadians

This discussion serves to introduce broad questions about the appropriate instruments of housing policy. Over the post-war period, five main categories of instruments were used:

- tax expenditures (for example, MURBs, other income tax deductions and exemptions, and property tax abatements and credits);
- direct expenditures by all governments for the production and consumption of housing, including direct mortgage lending;
- regulation (for example, municipal zoning and development controls, provincial building codes, rent controls, landlord-tenant and new home warranty legislation, land subdivision restrictions, and federal regulation of financing, building materials, and building standards re NHA-produced housing);
- the sundry activities of crown corporations and government departments (for example, the federal BETT and R-2000 programs to promote energy efficiency and financial support for CCURR, ICURR, and other standard setting, research and development, and coordination activities); and
- loan guarantees (such as provided under NHA insurance provisions).

Over the post-war period, there have been shifts in the relative use of different instruments. What were the best tools and what caused governments to change the tools they use are important questions addressed in subsequent chapters.

Post-war Canadian housing policies fall into two broad categories. One was concerned with eliminating perceived inefficiencies in the housing market. For one reason or another, the private market was seen to be incapable of producing an adequate supply of housing, and policies were implemented to regulate, assist, or encourage suppliers to compensate for the inefficiency. A second category of policy was concerned with issues of equity and social justice in housing. For various reasons, it was believed that the private market, even if operating efficiently, was incapable of providing adequate housing at an affordable cost for every Canadian.

Policies to improve market efficiency

In part, federal post-war housing policy concerned itself with the supply of mortgage funding. It was felt that potential lenders might be discouraged by the riskiness, lumpiness, or illiquidity of mortgages. Around 1945, there were few large lending institutions, no secondary market for mortgages, and no private mortgage insurance companies. Small lenders were thought to be reluctant to enter the market and to be overly cautious when they did. This was seen to be injurious both to the production of an adequate amount of housing in particular and to overall economic growth in general. After 1945 the federal government began to build on approaches used in the 1918 Loan Program, the 1935
Dominion Housing Act, and the 1938 NHA. Up until 1954 this approach involved making joint loans. Later, joint loans were replaced by a self-funding mortgage insurance scheme for modestly-priced housing. Since the mid 1980s the federal government has further expanded the supply of mortgage funds by introducing mortgage-backed securities that make investment mortgages more liquid. Grants were also given to help owners make their housing operate more efficiently. Included here over the years have been the Housing Improvement Loans (HIL) Program, the Canadian Home Insulation Program (CHIP), and the Canada Oil Substitution Program (COSP).

While the Canadian home-building industry has seen the emergence of a few large companies, it has been made up mainly of small firms. At the federal and provincial levels, there have been concerns that these firms are simply too small or too fragmented to encourage the kind of long-term research and development that is needed to spur innovation and new efficiencies. At the outset of the post-war period, the National Research Council and CMHC were mandated to develop appropriate standards for new construction and to explore new technologies and approaches. By the 1970s part of this activity had been taken up by provincial housing agencies.

This raises another concern of post-war housing policy. Housing construction is a complex technology. When consumers purchase housing, whether as owners or renters, they typically cannot be expected to know if it is well built. In a private market, they have to rely for the most part on the integrity of the builder and/or landlord. In economic terms, this imperfect information creates a risk that reduces the efficiency of the market, not unlike the risk-taking problems of small lenders. Post-war housing policy, in part, was an attempt to reduce this uncertainty. The spread of building code legislation throughout Canada assured the occupants of new housing that their housing was soundly built. In a similar vein, one can point to the spread of new home warranty legislation for owners and property maintenance legislation for renters. More generally, one can also cite the spread of regulation at all levels of government in regard to land subdivision, zoning, and development that helps assure occupants or neighbours that certain standards of good planning would be honoured.

A related policy issue concerns the income tax treatment of losses from rental property. Before 1972 a landlord could charge losses in the operation of rental property against other income. This included rental losses arising because of depreciation. After 1972 most landlords could not claim losses against other income if they were created by depreciation. Arguably, the Income Tax Act of 1972 made rental housing less attractive to small investors. In 1974 the federal government tried to compensate for this by introducing MURBs, under which small landlords could fully claim depreciation costs, a program that was terminated in the early 1980s.
Policies to promote equity and social justice

Canadian post-war housing policy has also been extensively concerned with an equitable allocation of housing. Much of this concern has been in the form of assistance for low-rental housing for needy Canadians. The 1938 NHA enabled subsidized joint mortgage loans for the construction of public housing by local housing agencies. The 1944 NHA amendments introduced the possibility of “limited dividend” housing, urban renewal programs, and rents geared to income. However, public housing did not get going in a major way until the 1949 amendment that enabled the Federal-Provincial Public Housing Program. In 1969 rent supplements were introduced to subsidize low-income households living in private rental accommodation. Both federal and provincial governments offered further subsidies to encourage new construction of private rental accommodation in the 1970s and 1980s.

In addition, several policies provided subsidies to low-income home owners. At the federal level, these included RRAP, started in 1973, which provided small, forgivable loans for upgrading substandard housing, the CMRP and MRPP (1981-3) that assisted home owners with mortgage renewal, and the Rural and Native Housing (RNH) program. In addition, the federal government has experimented with encouraging modest-income families to switch from renting to owning. At the provincial level, subsidies were introduced including property tax deferrals, abatements, and credits for the elderly.

In the 1970s there was a rising concern with consumer sovereignty and protection. In part, the concern was with improving the efficiency of the market by reducing imperfect information. In other respects, however, the concern was ultimately with the notion of fairness or social justice. In the housing area, this was perhaps best manifested in the emergence of security of tenure legislation at the provincial level. This legislation restricted the rights of landlords to specify onerous lease provisions, to evict tenants, and (in some provinces) to determine rents. The new home warranty legislation introduced at about the same time can also be seen partly in a similar vein. Still another example might be the federal mortgage rate protection plan under which borrowers are protected against large increases in interest rate upon mortgage renewal.

WHAT ABOUT THE FUTURE?

Thus, the period since 1945 represents an abrupt change from what had preceded it. At the same time, as we now look to the future, we may wonder if the 1980s mark the end of one era and the start of another. Rapid population growth is now history. Canadians now generally look ahead to a period of slow growth over the next few decades. Starting in the late 1970s, the growth in real incomes has also been sluggish at times. Of course, we should keep in mind the contrast between the dismal projections around 1945 and what actually happened. Nonetheless, the period between 1945 and 1985 forms an interesting unit of analysis. How portable are lessons learned during that period when we turn our attention to the future? How different will the future be, and what does this
imply for housing? Will housing policies that were successful from 1945 to 1985 also work in the future? What other policies should we be considering?

The Approach to Housing Progress

This is a book about housing progress, a phrase that admits of two meanings. One notion is simply of motion, direction, or change. The other is of movement or change for the better. In this book, the latter meaning is employed. However, improvement is in the eye of the beholder. One person might enjoy the spaciousness of 3.5 metre ceilings in a Victorian townhouse, while another dislikes the narrow windows. The scheme that we use to weight attributes of housing is part of our “perspective.”

Over the post-war period, housing programs were used to promote social goals such as the redistribution of income, equality of opportunity, or social justice. In other words, Canadians as a whole were seen to benefit from an allocation of housing that promoted such goals. Of course, the extent of such benefits depend on the importance attached by a citizen to each goal. This can, and does, vary from one person to the next. One person might think that equality of opportunity is important, while another might not. Such differences in opinion about social goals are another element of one’s perspective. The quality, quantity, location, and cost of our housing shapes our state of health and well-being, our sense of place and community, our self-esteem, and our access to public facilities, services, educational and job opportunities. It is an integral part of our standard of living and our view of how society should operate. In a pluralistic society, it is not surprising, therefore, to find differences in perspective.

Most of us have views on the extent to which the housing of Canadians has or has not progressed since 1945 and the impacts of government policies. It is always a surprise to the uninitiated to discover that someone else, equally informed, holds an opposite view. Such disagreements usually originate in one of two places: a disagreement about facts or a difference in perspective.

This book has been written by a group of authors — twenty-two in all. Each is expert in some aspect of housing. The group includes planners, architects, economists, geographers, and sociologists. They come from a variety of backgrounds: universities, planning practice, and housing consultancy. They come from various regions of Canada and from both large cities and smaller towns. Also, each of them is experienced in housing research, policy, and/or program delivery. As a consequence, they do not share a common viewpoint. Important differences among them are evidenced in subsequent chapters.

This book does not impose a single perspective on its authors. The authors present their viewpoints and show how their conclusions depend on them. The aim is to clarify the debate and to make the reader more aware of different views on housing progress and the impacts and desirability of particular housing policies. At the same time, the book also outlines what we understand about the demand, supply, and allocation of housing. It does more than simply
mirror the debate. It looks for the common ground – in terms of facts and perspective – and the bases for differences of viewpoint.

Structure of the Book
This book is divided into six sections. The first section looks at economic, demographic, and institutional factors underlying the post-war demand for housing. In Chapter 2, John R. Miron examines post-war patterns of household formation and housing consumption and estimates the importance of contributing demographic and economic factors. Marion Steele describes post-war changes in tenure and their causes, the links between economic well-being and tenure choice, and the rationale for government support of home ownership in Chapter 3. J. David Hulchanski traces the evolving legal basis of fee simple ownership and private renting in Chapter 4.

The second section discusses the principal aspects of the supply side of housing: housing finance, economics, technology, and regulation. In Chapter 5, George Fallis identifies the suppliers of housing and factors influencing their decisions. James V. Poapst examines post-war government regulation of mortgage markets, institutional participation, sources of demand for residential mortgage debt, use of equity financing and provisions of loan instruments in Chapter 6. John Bossons shows the range, scope, and rationale of regulation in the production of housing in Chapter 7. James McKellar, in Chapter 8, assesses the impact of building technology and the organization of the production process on housing form, cost, and quality.

The third section traces the implications of shifting demand and supply curves for housing stock growth and quality. A. Skaburskis considers in Chapter 9 how the components of housing stock change might be measured, and discusses the role of government regulation and stimulative programs on housing stock change. In Chapter 10, Skaburskis and E.G. Moore establish an accounting scheme for describing post-war transitions in the existing housing stock, identify known pressure points for policy intervention, and identify interactions between housing stock transitions and public policy that require more research. Joan Simon and Deryck W. Holdsworth in Chapter 11 document post-war changes in the design of housing forms and consider the emerging housing needs of families and changing concepts of neighbourhood.

The fourth section considers how changes in supply have matched shifts in demand. In Chapter 12, Lynn Hannley reviews indicators of substandard housing, documents the magnitude of the problem prior to 1945, explores post-war policy approaches, and suggests substandard housing indicators and policy approaches for the future. Janet McClain in Chapter 13 describes and discusses post-war changes in the scope of the need for supportive housing and related services, elaborates on the nature of consumer demand and the role of housing policy, and reviews the location and supply of special needs housing by type, level of care, funding, and sponsor. Damaris Rose and Martin Wexler examine
the adequacy of the post-war housing stock in light of important social and economic changes in Chapter 14. Patricia A. Streich examines the concept of housing affordability and the extent to which the magnitude of the affordability problem is conditioned by its definition in Chapter 15.

The fifth section examines housing stock change in its locational setting. In Chapter 16, L.S. Bourne demonstrates how the settlement environment of housing changed in post-war Canada and examines how the community development process contributed to this change and to housing progress. Francine Dansereau documents in Chapter 17 the evolution of intraurban disparities in socio-economic, ethnic, and physical terms, and considers implications for neighbourhood quality and housing progress. Richard Harris examines social mix as a goal of post-war community development and housing policy in Chapter 18. In Chapter 19, Jeffrey Patterson considers the relationships between housing and community development, focusing on the origins of the modern urban reform movement and the post-war shift in policy from urban renewal to neighbourhood improvement. John H. Bradbury considers housing needs and policies in single-enterprise communities in Chapter 20.

The chapters of the sixth section suggest what lessons might be learned from the post-war experience, what the next decade or two might hold for us, and the challenges and issues posed by these scenarios. Miron suggests important ideas about meeting future needs based on past experience in Chapter 21. John Hitchcock discusses future directions and challenges for consumers, industry, and governments in Chapter 22.

At the end of this book are two appendices: a Glossary and a Key Event Chronology. The Glossary will be of assistance to readers who are unfamiliar with proper names and acronyms that are used throughout the monograph. The Key Event Chronology gives a historical listing of major events in Canada's post-war housing progress.

Notes

1 Averages can mislead. In Montreal, single detached structures made up less than 7% of all dwellings in 1941, compared to 31% in Toronto and 75% in Vancouver.

2 In counting rooms in private dwellings, censuses exclude halls, bathrooms, closets, pantries and alcoves, attics and basements unless finished off for living purposes, and sunrooms and verandahs unless suitably enclosed for occupancy during all seasons.

3 In the Census, a dwelling was defined to be in need of major repair if it had a sagging or rotting foundation, a faulty roof or chimney, an unsafe outside steps or stairways, or an interior badly in need of repair (for example, large chunks of plaster missing from walls or ceiling).

4 In large cities, reliance on stove heating was minimal except in Montreal (62% of households) and Quebec City (64%). In Alberta, which has extensive gas and oil reserves, the use of natural gas as a fuel was greater.
Such amenities were more commonplace in urban dwellings. Among large cities, only in Edmonton did less than 80% of dwellings have flush toilets. Only in Edmonton and Quebec City did less than 75% of dwellings have an installed bath or shower.

Carver (1948, 74) reports that Toronto households with annual incomes below $1,000 spent on average about 40% of their income on shelter in 1941. Among households with incomes of $1,500 to $2,000, the figure was just 21%.

In the 1981 Census, respondents were asked to indicate whether their dwelling was in need of repair, excluding desirable remodelling or additions. Possible responses included "needs only regular maintenance," "needs minor repairs," and "needs major repairs." Respondents were advised that major repairs included defective plumbing or electrical wiring, structural repairs to walls, floor, or ceilings.

Old Age Security, Guaranteed Income Supplement, and Canada/Quebec Pension Plans.

Including Unemployment Insurance, work programs, a variety of provincial, local and third sector welfare programs.

Dear and Wolch (1987) further describe the deinstitutionalization process and the contemporary problem of homelessness that it engendered.

Traditionally, federal housing policy in Canada has served a third purpose: to spur economic growth or recovery from a recession. The construction of new housing creates jobs in the homebuilding industry directly, in addition to having positive effects on employment in the household furnishings industry and other related industries. Examples of policies that were primarily concerned with job creation are the Winter House-building Incentive Program of 1963-5, the Canada Rental Supply Program (CRSP) of 1981-4, and the Canada Home Renovation Plan (CHRP) and Canadian Home Ownership Stimulation Plan (CHOSP) of 1982-3.

Prior to 1954, chartered banks were prohibited from originating residential mortgages. Even after 1954, they were restricted to NHA-insured mortgages. Not until 1967 were chartered banks allowed to originate conventional residential mortgages.

CMHC has always had a small residual lending role where private lenders were unprepared to cooperate. In 1957, when market interest rates rose above the ceiling set for NHA mortgages, the federal government briefly flirted with widespread direct lending. In all, 17,000 dwellings were financed in 1957 and 27,000 each in 1958 and 1959.

Of special note here is the model National Building Code developed by NRC, a code that has been widely adopted by the provinces as a standard for new construction.

The first contemporary use of minimum standards in housing may have been by a local government agency – the Spruce Court Housing Project of the Toronto Housing Company in 1914.