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HOUSING VANCOUVER

A SURVEY OF THE HOUSING POSITION IN VANCOUVER

BY THE

VANCOUVER HOUSING ASSOCIATION

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With the compliments of the Vancouver Housing Association.

Further copies may be obtained on request.

"It is not a question whether we shall pay or shall not pay. It is a question whether we shall pay blindly or intelligently, whether we pay for better housing or for the damage done by that which is worse. Housing of the poor we are going to provide, let us make no mistake about that. It is only a question whether we shall house them in hospitals, mental institutions, reformatories and jails; or whether we shall house them in cleanly, light and sanitary surroundings where both body and soul will have a chance. Which shall it be?" -- Extract from a report of the Citizens' Committee on Housing in Halifax, Nova Scotia.

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FOREWORD

The Vancouver Housing Association, a member agency of the Welfare Council of Greater Vancouver, is a non-profit association formed in 1937 to promote better housing conditions in Greater Vancouver.

The report which follows has been prepared in order to provide a sound factual basis for a study of the present housing problem in Vancouver and to offer practical suggestions for its solution.

Acknowledgments are extended to those civic and voluntary bodies who have supplied many of the facts and figures incorporated in the report.

Frequent reference is made in the text to low and medium rental housing. For the purpose of the report, low rental housing is defined as dwellings renting at under \$20 a month; medium rental housing comprises dwellings renting between \$20 and \$40 a month (low medium, between \$20 and \$30); dwellings renting at over \$40 a month are classed as high rental housing.

Copies of the 1939 field survey study, which is summarized in the report, are obtainable on request. The correspondence address of the Association is Room 309, 626 West Pender Street, Vancouver, B.C.

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EXISTING HOUSING CONDITIONS IN VANCOUVER

In 1937 a special committee appointed by the City Council carried out a survey of certain streets in the central districts and of the shack colonies along the waterfronts. This committee reported that a deplorable shortage of housing accommodation had been revealed and that many persons were living in slum conditions of the worst kind.

In 1939 the Vancouver Housing Association carried out a more extensive survey of the central districts. Owing to the advent of the war, the results of this survey were not published. While the facts revealed by this survey are now out of date, a summary of its findings is considered to be worth reproducing in this report for two reasons -

Firstly, it affords irrefutable evidence that the present housing crisis is no temporary product of the war, but a deep rooted social disease, which already existed before the war and which has merely been accentuated by recent events.

Secondly, although the specific facts and figures are out of date, the general picture presented by the survey is still true, save that the picture has grown darker with the years. Over-crowding has immeasurably increased and the houses surveyed are now six years older and that much more dilapidated.

The area covered by the survey is bounded approximately by Burrard Street and Clark Drive, Burrard Inlet and Sixth Avenue. It contains roughly 15% of the population of the City of Vancouver and nearly the whole area is zoned for industrial or general business uses.

Every fourth house, totalling some 800 dwellings, was surveyed and the sample results should therefore present an accurate picture of conditions in this area at that time.

Burrard Street to Beatty Street, south of Dunsmuir to False Creek

No less than 59% of the houses surveyed in this area were found to be in multiple occupancy, and over 40% of the "rooming" population was living at a density of two or more persons per room. Compare this figure with the commonly accepted minimum standard of room occupation of one person per room. Numerous individual cases of gross crowding were reported and instances of families with one or two children living in a single room were comparatively frequent. The majority of the rooms are rented as housekeeping units, but few of them have adequate facilities for washing, cooking or food storage. Under 10% of the rented rooms had sinks or washbasins and only 5% of the houses in multiple occupancy had more than one bath. Cases of 20, 40 or even 50 persons sharing one bathroom were found. East of Granville Street over half the houses were heated by stoves only and a large proportion of the rooms in these houses were inadequately heated. Many houses are infested with bedbugs, one of the worst scourges of poor housing.

The problem of the rooming house inhabited by several families occupying one or at most two rooms each, is especially serious in Vancouver. In 1941 nearly 20% of Vancouver households (including one person households) were living in one or two rooms, while the estimated number of lodging families was 9,400. The position must be very much worse today. This means that there are thousands of families in Vancouver whose homes consist of a single room, which has to serve for cooking, eating, sleeping and all the other functions of daily life, and whose only washing and sanitary facilities consist of a bathroom shared possibly with half a dozen other families. Superficially, such accommodation may not appear to merit the name of slum, but its effects on human health and happiness are as bad as any slum.

Burrard Street to Dunlevy, north of Dunsmuir Street.

In the lodging houses, occupied mainly by single men, in the oldest business section of the city, it is estimated that there are some 200 rooms without outside light and ventilation of any sort, and that, owing to defective planning and excessive lot coverage, at least two-thirds of all the rooms have inadequate light and ventilation. 16% of the blocks surveyed had no bathroom.

The section lying between Main and Dunlevy Street south of Hastings Street contains the worst housing conditions in Vancouver. Lodging houses, cabins and individual houses are mingled indiscriminately with commercial buildings. 20% of the houses are built on the rear lots, Hogans Alley being a particularly notorious example of lane development. The great majority of the houses are old and dilapidated; many of them being 40 or more years old.

Social conditions in this area are equally unsatisfactory; bootlegging joints and brothels abound and the criminal and degraded elements of the community find their homes here. The whole area should be cleared of dwellings as soon as possible.

Dunlevy Street to Clark Drive.

15% of the houses surveyed in this district required major structural repairs; probably at least half of these houses are beyond repair and should be demolished. 17% of the houses lacked baths. 4% had outside toilets. Only 25% had central heating. Of the houses surveyed, over 7% were listed as vacant in the Sun Directory of 1935. At the time of the survey the vacancies had been reduced to under 1%. In other words, a considerable number of houses which were previously lying vacant, owing to their poor condition, have since been re-occupied for lack of alternate accommodation. Owing to the acute shortage of houses, even the poorest accommodation to-day fetches quite a good rent. Only 10% of the tenanted houses surveyed in this area rented for less than \$10.00 a month, and a large proportion of these were totally unfit for habitation.

The Industrial Area South of False Creek.

The housing throughout this area is of very poor quality. In the Kitsilano section, where conditions are worst, 18% of the houses surveyed were in very bad repair, 19% had no baths, and 7% were badly crowded. Interspersed with industrial buildings and bi-sected by the interurban tracks, this area bears all the hallmarks of a slum.

The Oriental Population.

Owing to their low earnings and large families, the oriental population covered by the survey were, generally speaking, very poorly housed. By far the worst conditions were found in the Japanese lodging houses and cabins, which were for the most part badly constructed, ill ventilated and lacking in adequate sanitary conveniences; the great bulk of those not already demolished should be condemned at the first opportunity.

The Chinese families were no better housed. Those families living in the Chinese business quarter west of Dunlevy Street are subjected to particularly objectionable conditions since, quite apart from the wretched accommodation, the large numbers of single Chinese men and the anti-social elements among the white population, render this district a most unsatisfactory environment for children.

The accommodation occupied by the Chinese single male population is for the most part crowded, ill-lit and ill-ventilated. The Chinese death rate from tuberculosis is five times that of the white population and the menace to the public health of housing conditions which foster the spread of this disease requires no emphasis.

Cabins.

In addition to the Japanese and Chinese cabins, there were 25 buildings containing some 420 cabins occupied by white persons in the area under survey. Four-fifths of the cabins are served only by an outside tap to every 4 or 5 cabins. The common toilets are more often than not ill-lit and filthy; baths are unknown in these buildings. Most of them are bug-infested. Owing to the juxtaposition of high buildings on either side, many of the cabins receive practically no sunlight. Some of these cabin blocks were regarded as unfit for habitation even thirty years ago. Nearly one-third of the blocks have families living in them. The conditions under which these families live is a public disgrace.

Waterfront Shacks and Houseboats.

There were at the time of the survey well over five hundred persons living in shacks or houseboats on the Burrard Inlet and False Creek waterfronts.

None of these shacks are connected to the sewer system and the only means of sewage disposal is through the action of the tides. Few of them are connected to the water system.

Large agglomerations of shacks in urban areas represent both a public health risk and a fire hazard, and a report by the Special Committee on Fire Protection made shortly before the war recommended the removal of shacks and houseboats from all the waterfronts. Alternative accommodation must be found for the occupants of these shacks.

General.

There is ample evidence that bad housing conditions are not confined to the areas under survey. In South Vancouver numerous instances of crowded and insanitary housing have been reported.

A survey carried out for the Civic Housing Committee of certain sections of the West End revealed rooming house conditions very similar to those found east of Burrard Street.

To illustrate the extent of the problem in this area, between Burrard and Nicola Street, about every other house was, even before the war, in multiple occupancy, and the total number of rooming and boarding houses in the West End was estimated in 1934 at no less than 550. Crowding, lack of adequate sanitary, cooking and food storage facilities are characteristic of a large percentage of these rooming houses.

The percentage of vacant houses in Vancouver was dropping steadily in the years prior to the war, and at July 1st, 1939, had already reached the dangerously low figure of .66%. 4% to 5% is usually considered to be a normal vacancy figure. By June, 1945, vacancies had fallen to .004%.

In a joint report to the City Social Service Department dated May, 1939, the Medical Health Officer and the Chief Build-Inspector sounded the following warning note: "Many Buildings have recently been vacated and demolished in different parts of the City and your officials have had to meet the tales of woe of the occupants to allow the buildings to stay as long as possible, as no other places were available at a rental they could afford to pay" ... "increasing demolition of this type of building and lack of suitable low cost housing accommodation is increasing the congestion in these areas, and until some low rental housing scheme is developed either nationally or privately this condition will tend to get worse and congestion increase."

Individual Cases.

Statistics, however striking, convey but a dim impression of the plight of families living in slum conditions. Here are some specific examples of bad housing which actually existed in Vancouver before the war.

"Mother and four children live in one large unheated and bug infested hotel room in the central business district. All cooking is done on a gas plate. No accessible playgrounds of any sort".

"59 people live in a 15 room lodging house, including; 5 adults and one child living in two rooms; 2 adults and 2 children in one room; 2 adults and 5 children in two rooms. The only bathroom was described as unfit for use. Bug infested. Rents average \$8.00 per room".

"Man, woman and six children live in one room. 3 of the children sleep in a large clothes cupboard; the other 3 children sleep on the landing along with the cooking stove and the wood. The parents sleep in the room".

"5 families, with 2 children each, live in a block of back-to-back cabins, parts of which are said to be 50 years old. There is no direct light or ventilation in the inside rooms, which are about 60 feet square in area. The only sanitary equipment consists of one outside tap to every three or four cabins and some very dirty and ill-lit toilets. Infested with bedbugs. No accessible playgrounds. For safety's sake, one child was observed tied to the approach stairway by a long string. (This child later fell off the balcony)".

"Over 50 people occupy 22 rooms in a rooming house with one bathroom and three sinks on the landings. A family of nine occupy one large double room in the basement. Fine looking children. Not a cent appears to have been spent on the place in years".

"Man and woman and five children occupy condemned quarters in a basement. There is one room, 12 x 14', the outside door of which lacks any glass, and two small dungeons in the rear, where the 5 children sleep. The one room has no windows of any sort; the other room is 6 x 6'. There is no sink or other sanitary convenience on this floor. The only room heating is provided by a dilapidated gas heater".

"Family with two children ages 12 and 8, occupy two rooms in a basement. The rooms are 6½ feet high. The bedroom is small and very dark, with a high building within 4 feet of the window. There is practically no furniture except the bed. Rent \$10.00."

"Family of four with a boy 13 and a girl 14 occupy one room about 170 square feet in area.

"Family of 7 occupy two-room house. 6 persons sleep in one room. Boy sleeps in unventilated room in which toilet is located. Roof leaks - very damp.

"Family of 13 occupy 4 rooms. No bath. Outside toilet".

Instances such as these could be multiplied indefinitely and it is a fair question to ask, what chance children reared in these conditions have of growing up into normal healthy citizens.

Survey by City Building Department, 1940.

As a result of a survey of 207 dwellings in the central districts of the city, carried out in 1940, no fewer than 16% were recommended for demolition, while a further 60% were found to be in poor repair, internally or externally. 71% of all the houses had defective plumbing.

In these 207 houses, there were 2363 people, the great majority adults, living at a density of over 1½ persons per room, (excluding kitchens).

The position to-day.

These were the conditions which existed at the beginning of the war. It requires little imagination to picture the conditions which must prevail to-day.

Since the survey was made, some 70,000 people have been added to the population; the necessary repairs to existing houses have been neglected and little effort has been made to enforce the sanitary by-laws; much good housing has become defective through the crowding of several families into dwellings designed for one family and much defective housing has become totally unfit for human habitation.

The plight of the returned soldier is, to put it mildly, a crying scandal. After living a camp existence for six years, he continues to camp in other people's homes, in basements, garages, chicken houses, or in anything that he can find, often separated from his family and frequently paying an exorbitant rent for inadequate accommodation.

At December 1st, 1945, 3437 families were listed with the Emergency Shelter Administration as requiring accommodation, the great majority being veterans' families. There were in addition, many other families who had previously been listed, but who had abandoned the apparently hopeless attempt to get better accommodation. Of 7094 applications for family accommodation in 1945, it was only possible to place 1713, or 24%.

Unfortunately, no comprehensive picture of the present situation is available, but the following cases are typical of many others.

"Returned man, wife and two children living in a garage in West Vancouver".

"Service man, wife and four children living in basement with no flooring, damp earth. Children sick."

"Mr. and Mrs. "A" and two children, residents of Vancouver for thirty-four years (father returned from overseas after 4½ years service) living in unheated attic".

"Mother and nine children living in chicken house in Burnaby, father sleeps in town as he has to get to work early in the morning".

"Mr & Mrs. "M" and two children living in a converted tool shed. Roof leaks, father taking Rehabilitation Course".

"Mr. and Mrs. M. and two children sharing one large room with three other adults".

"Mrs. "G" and four children, thirteen years residence in Vancouver, living in small shack, - leaking roof, no plumbing. Husband overseas".

"Seventeen living in five-roomed house in Steveston. Mother under doctor's care with T.B., four year old girl in hospital with T.B.

Can we, as a community stand aside and wash our hands of responsibility, when such conditions are known to exist here and now in our midst?

THE COST OF SLUMS

The cost of slums may be regarded from two angles. First and foremost, the cost to the slum dweller in terms of health and happiness, a cost which is largely immeasurable; and, secondly the cost to the community in terms of governmental and charitable expenditures for social and other services, which can be measured in dollars and cents.

Health.

While it is rarely possible to isolate completely the damage to health caused by housing from that which is attributable to other social evils connected with poverty, such as malnutrition, the sum total of statistical and medical evidence which has been accumulated in recent years is so overwhelming that the cardinal importance of bad housing as a source of ill health is now generally recognized.

Moreover, the various evils associated with poverty interact on each other in such a manner that the harmful effects of the one reinforces those of the others. To take one instance, many families in Vancouver before the war were supplementing their shelter allowances by cutting down on their food consumption, a practise which must in the long run lead to malnutrition and ill health; ill health in turn reduces the employability of the wage earner and itself operates as a factor in producing poverty. The vicious circle thus created can only be broken by a determined effort on the part of the community as a whole to raise the conditions of those who have fallen below a minimum standard of healthful living. Unemployment and ill health are the two primary causes of poverty, and housing, which is a vital factor in the elimination of both these evils, is therefore a peculiarly suitable field for the exercise of such action.

It will be instructive to examine some of the statistical evidence on the relationship between health and housing.

Tuberculosis.

Overcrowded homes and inadequate sleeping accommodation are a primary factor in the spread of tuberculosis. There is also a close correlation between dark, ill-ventilated houses and the presence of this disease. A Montreal survey made in 1927 showed that 65% of tuberculosis cases had not a separate room and 50% had not a separate bed. The report of a survey of 588 tuberculosis patients in Vancouver published in 1936, states that 25.6% of these patients occupied homes which were entirely inadequate from the standpoint of satisfactory housing.

The expenditure of many thousands of dollars in providing medicine and care in such cases is of little avail when conditions in the home only perpetuate the disease.

In Cleveland, U.S.A. 12 $\frac{1}{2}$ % of the deaths from tuberculosis occurred in a slum area containing only 2.4% of the population.

Here in Vancouver, the death rate among the white population from tuberculosis in 1943 in census tracts 2 and 3 (the area lying between North Burrard Street and Victoria Drive) was 102 per 100,000, as compared with 35.5 per 100,000 in the remaining districts of the city. The Chinese death rate for these two tracts in 1943 was 289 per 100,000.

Infant Mortality.

The correlation between overcrowded conditions and a high rate of infantile mortality is well established. A study of 25,000 recorded births in 8 cities of the U.S.A. showed that the infantile death rate in families with 2 or more persons per room was 2 $\frac{1}{2}$ times greater than in families which lived in homes with less than one person per room.

This correlation is already apparent in Vancouver. In the area lying between North Burrard and Main Streets, the infant mortality rate in 1943 was 73.5 per 1,000 as compared with 30.9 per 1,000 for the City as a whole.

Rickets.

Lack of adequate sunlight due to the crowding of houses on narrow lots is another important source of ill health. Out of 1,000 children drawn from a Stepney (London) slum, while only 20% were badly nourished, 80% were found to have rickets. In other words, a normal diet will not prevent rickets in children, if they are deprived of sunlight and fresh air.

Dampness and cold.

Dampness and cold lower resistance to disease, particularly respiratory affections. Damp basements used as living quarters subject children to the dangers of rheumatic heart disease.

General Mortality.

The general mortality figures for overcrowded and slum areas are no less striking. Glasgow death rates in three room dwellings over a given period were 11.5 per 1,000, in two room dwellings 16.5 per 1,000, and in one room dwellings 25.9 per 1,000.

The following is a comparison of the vital statistics for a housing estate owned by the City of Liverpool with those for the seven central wards of that city. The economic status of the two groups would not differ very much.

	7 Central Wards	Corporation Estate
3 years (birthrate	21.1	21.3
ended (deathrate	14.9	6.7
1931 (Infantile Mortality	94.0	63.0
1931 (Deaths from T.B.	1.48	.87
(Deaths from res- piratory diseases	2.48	.87

A comparison of the health of slum dwellers before and after their removal to new housing estates is also instructive. In Edinburgh, when certain areas containing insanitary houses were cleared and replaced by new buildings, housing approximately the same population, the general death rate fell from 45 to 15 per 1,000 and the phthisis death rate from 5.8 to 0.4.

In another Liverpool instance, when the same people were rehoused on a slum site, the death rate fell from 37.0 to 26.6, the phthisis rate from 4.0 to 1.9 and the infantile mortality rate from 259 to 162.

Facts and figures similar to those cited above could be repeated ad nauseam. To quote the words of Sir George Newman, formerly Chief Medical Officer to the English Ministry of Health - "There is no subject in the whole range of preventive medicine in which evidence is so general and incontrovertible as regard to the ill-effects of bad housing upon the human organism".

One point which stands out from this evidence is that by far the worst aspect of bad housing is the effect of overcrowding on health. In other words, if the supply of low rental housing is inadequate, the mere enforcement of sanitary by-laws, unaccompanied by a housing programme, will not be sufficient to prevent a deterioration in the health of the population.

It is unfortunate that owing to the absence up till recently of any suitable territorial subdivisions, which would permit the breakdown of vital statistics in such a manner as to enable comparison to be made between health conditions in bad and good housing areas, few figures are yet available to show to what extent bad housing has already begun to take its toll of health in Vancouver.

The vital statistics for the city as a whole, show that bad housing conditions have not as yet had sufficient time to appreciably affect her excellent general health record, and by comparison, some of the English statistics appear almost unbelievably bad.

It would be unwise, however, to be too complacent over our own health records, since the effects of bad environment take time to manifest themselves in recordable form, and it is as certain as anything can be that, if we allow the present state of affairs to continue, the health of the population will suffer.

Nervous stresses.

While the mental strains and stresses caused by bad housing cannot be measured statistically, their effect on the happiness and well-being of the community is certainly as far-reaching as the more specific bodily ills.

The nervous tension created by the crowding of families into one room suites, where privacy and quiet are lacking, or the friction arising between tenants in rooming houses over the use of inadequate sanitary facilities, are likely to have far more serious reactions on the health of the housewife than a leaking roof or a sagging foundation. Anxiety over the well being of children brought up in undesirable surroundings, the constant fear of eviction, the depressing influence of drab and sordid surroundings from which there appears to be no escape, are additional sources of mental illhealth and unhappiness.

The disintegrating effect of bad housing conditions on family life hardly needs emphasis. The chances of a normal happy married life, particularly when the husband is out of work, where the family spends its whole home life cooped up in a single room, must be small indeed. Shattered nerves and frayed tempers lead to constant bickering and quarrels and the breakup of many families is directly attributable to poor housing conditions. In their report for 1938, the Vancouver Family Welfare Bureau made the following statement:- "Constant movings and evictions; crowded quarters, doubling up, lack of privacy ... have their effects on the stability of the family group" "Nowhere has the decline in standards been more noticeable than in the housing that we find".

Juvenile Delinquency.

The overcrowding of sleeping quarters has an important influence on the standard of sex morality. The breakdown of self respect due to lack of privacy and the indiscriminate mingling of the sexes, results in an increase of sex delinquency. Adolescents, again, who live in crowded homes and whose only meeting grounds are the streets of a sordid district, must inevitably be subjected to numerous undesirable influences. To sum up in the words of a prominent Vancouver social worker:- "For most of the social problems we come up against we feel we can find a solution, but against the bad housing conditions with which we are constantly faced, we find ourselves powerless to do anything".

The following notes on juvenile delinquency are quoted verbatim from the 1934 report on Housing Conditions in Toronto: "Overcrowded conditions in the homes lead the children to use the street for playgrounds. It is natural for children to form playgroups or gangs, but in these districts, because of the lack of proper guidance either from the home or the community, these natural gangs become breeding places of juvenile crime. Certain neighbourhoods tend to develop traditions of delinquency and this is particularly true of those congested downtown areas where little or no effort is made by the residents to combat lawlessness. The gangs in these neighbourhoods act as channels for the transmission of delinquent customs and information".

"In a survey of the commitments to the Industrial School, Toronto, 1929-1930, it was found that over 80% of the boys had previous records of membership in unsupervised neighbourhood groups. This problem created by the influence of the delinquent gang cannot be solved without first finding a remedy for the intolerable housing conditions which drive your children out on to the busy streets all day and often far into the night".

The following figures for juvenile delinquency in Vancouver bear out these findings:-

In the East End area, between Heatley Street and Templeton Drive, the average delinquency figure for the five years 1930-34 was 15 delinquents per 100 of school population of comparable age as compared with under 5 per 100 for the outer areas of the city.

in the Central Business section, it was 20 per 100, or one child in every five. Think what these figures mean. The influence of environment on the delinquency rate is strikingly illustrated by the steady improvement in the rate when a slum population is moved to a new housing estate. In Birmingham, England, the delinquency rate in the newest municipal housing project was 22.5 per 1,000 of the juvenile court population; in an earlier project it had come down to 11.6 per 1,000, and in the oldest project, where the better environment had had the longest time to produce its effect, it had been reduced still further to 9.8 per 1,000.

Quoting from the Toronto report once more:-
"The Problem of juvenile delinquency merges into the larger subject of adult crime. The vast majority of criminals in prisons and reformatories to-day have records of previous incarceration in industrial homes and similar corrective institutions" ... Criminals, perhaps more than any other class tend to congregate into groups. These criminal haunts are with few exceptions in areas of poor housing, where people cannot afford to be particular about their neighbours or inquisitive regarding their actions.

The Financial Cost to the Community.

Most of the available evidence as to the cost of slums in terms of dollars and cents comes from the U.S.A. The facts revealed are staggering, and were they more widely known among property owners, there is little question that opposition to a low rental housing programme would rapidly vanish.

Let us first examine the principal points at which leakage of taxpayers money may occur. We have seen that a badly housed community is an unhealthy one. Ill-health means clinics, hospitals, sanatoria, etc., provided largely at the taxpayers' expense, since the poorly housed family rarely has any margin for medical attention. Ill-health also means lost time and unemployment, and relief for the family of the sick man. The greater Vancouver Health League estimates from calculations made on a national basis that Vancouver's total pre-war health bill amounted to \$28,000,000 annually. For T.B. prevention and cure alone, B.C. spends nearly a dollar per capita per annum. This latter sum, if applied to the population of the City of Vancouver, would have provided in 1939 a subsidy sufficient to house in new homes over half the 5,000 families receiving shelter allowances from the city.

Bad housing encourages delinquency and crime. This means high policing and police court costs, high industrial school and prison costs, and high relief cost for the dependants of prisoners.

Cleveland, U.S.A. spent \$11.50 per capita for police protection in a slum area, \$4.20 per capita in the rest of the city.

Badly constructed frame buildings with defective chimneys, electrical installations etc., constitute in themselves a serious fire hazard. When such buildings are crowded together on narrow lots over a wide area, they invite the possibility of major conflagrations. A high fire risk means high fire prevention costs and high fire insurance rates. Turning to Cleveland again, we find that fire protection costs were \$18.27 per capita in a slum area, \$2.74 in the rest of the city.

Bad housing means, or should mean, more frequent sanitary inspections and higher health department costs.

Charitable organizations spend large sums of money, raised from the general public, on welfare work in slum areas. A large part of this work simply consists in trying to patch up the damage done by poor housing conditions. If we bring all these hidden sources of loss out into the open and start adding them up, we get some startling figures.

In Cleveland where the first scientific cost analysis of a slum area was made, they found that in 1932 it was costing them, in terms of fire protection, policing, schools, health and charitable services etc., a matter of \$1,972,437 to maintain a slum area which yielded \$225,035 in taxes. Converted to a per capita basis, this means that the city subsidized every man, woman, and child to the extent of \$78.78 in one year for the privilege of allowing them to live in a slum area. These figures have since been corroborated elsewhere.

In a Boston slum, it cost \$275,000 to maintain 769 families who paid just \$27,000 in taxes. In Indianapolis, municipal services cost the taxpayer \$27.00 per person in slum areas as against \$4.00 in other districts. Similar surveys elsewhere confirm the fact that cities are spending in slum areas anything from three to ten times what they collect in taxes, in these areas.

It is not suggested that these figures apply at the present time in Vancouver. Vancouver is a young city, and slums take time to develop, but there is no question whatever that slum conditions are spreading and will continue to spread unless we do something about it. Laissez faire has proved very expensive elsewhere, and sometimes it is truer economy to spend a little to save more.

Regarded as a purely commercial proposition, the provision of good housing for the poorer section of the community does not pay. From the wider civic angle, it pays over and over again. Slums, moreover, once created are extremely difficult to eradicate since interests vested in the perpetuation of slums and overcrowding grow more and more strongly entrenched with the passage of time; but while, if the will and the money are available, it is possible to clear slums in the space of a few years, the effects of bad housing conditions on the health of the community may persist for 50 or 100 years.

BY-LAW CONTROL OF HOUSING

Improvement of housing conditions may be brought about in two ways, one negative in its operation and the other positive.

- (a) By-law regulation, by establishing certain minimum standards of sanitation etc., seeks to maintain or improve the conditions of existing buildings.
- (b) The promotion of new buildings, also subject to by-law control, provides additional accommodation for the relief of overcrowding and makes possible the demolition of insanitary dwellings.

Either method is of only limited value unless it is used in conjunction with the other. By-law regulation will not prevent overcrowding if there is a shortage of dwellings; insanitary dwellings cannot be closed unless there is suitable alternate accommodation for the occupants.

Similarly, new building will not by itself eliminate blight, unless active steps are taken to close and demolish defective structures and to prevent the spread of blight into the other residential districts.

There are three principal classes of by-laws relating to housing:

- 1) Zoning by-laws governing the use of land and regulating the number and types of building which may be erected on it.
- 2) Building by-laws controlling the quality and safety of new construction.
- 3) Sanitary by-laws enforcing certain minimum standards of sanitation in existing buildings.

Zoning and Building By-laws:

The City zoning by-laws are in general soundly conceived and it is extremely fortunate that comprehensive zoning regulations covering the whole city were adopted at so early a stage in her development, since there are few factors more inimical to good housing than the intermingling of industrial and residential buildings which results from unregulated development.

In the course of the survey, made prior to the war, certain apparent weaknesses in the by-laws were revealed and the following changes are recommended:

Dwellings in Light Industrial and General Business Zones.

The erection of dwellings in Heavy Industrial Zones is prohibited under existing by-laws. There are good arguments for extending this prohibition to areas zoned for Light Industry and General Business.

While the more noxious industries are excluded from the Light Industrial Zone, many of the lighter industries are only one degree less objectionable from the residential point of view, and where their intrusion is widespread, their presence is sufficient to render an area highly unsuitable for residential purposes. It is only necessary to observe the character of the area lying between Burrard and Beatty Streets to recognize the truth of this generalization. The beer parlour and liquor store, the printing works operating night as well as day, the heavy traffic volume and lack of play areas, to mention only a few undesirable elements, combine to produce an environment which few families would voluntarily choose for their children. Dwellings erected in such districts are doomed to slumdom the day they are built and it seems poor policy to allow new residential building in such areas.

Sporadic residential development in industrial zones is equally detrimental to industry since the assembly of suitable sites of adequate size for industrial plants is thereby rendered difficult and costly.

It is therefore recommended that the erection of dwellings, other than those intended for temporary occupation only, i.e. hotels, etc., be prohibited in areas zoned for Light Industry and General Business.

Similarly, new building will not by itself eliminate slums, unless active steps are taken to close and demolish defective structures and to prevent the spread of blight into the older residential districts.

There are three principal classes of by-laws relating to housing:

- (1) Zoning by-laws governing the use of land and regulating the number and types of building which may be erected on it.
- (2) Building by-laws controlling the quality and safety of new construction.
- (3) Sanitary by-laws enforcing certain minimum standards of sanitation in existing buildings.

Zoning and Building By-laws:

The City zoning by-laws are in general soundly conceived and it is extremely fortunate that comprehensive zoning regulations covering the whole city were adopted at so early a stage in her development, since there are few factors more inimical to good housing than the intermingling of industrial and residential buildings which results from unregulated development.

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It is recommended that the by-laws be amended so as to prohibit the placing of any suites in basements, but that, to overcome the objection of builders, apartments of frame construction be permitted up to three stories, provided they do not exceed, say, 30 feet in height.

Row or Terrace Houses

There appear to be good grounds for permitting row or terrace houses (up to four or six attached units) in single family zones, provided densities of development appropriate to that zone are adhered to. The primary object of building this type of house is to secure the economies of construction and operation which will permit low rentals and, while providing private gardens, to release land for community facilities. If, however, this type of development is only permitted on central land at high values, much of the advantage of this type of construction is lost.

As the by-laws stand, if it is desired to provide a satisfactory mixed development in an outer district, it is necessary to rezone the area for multiple dwelling use, with no guarantee that the ultimate development will conform to the lower densities suitable to the neighbourhood.

Hostel Accommodation

There are many one and two person family units, e.g., business women and old people and others of moderate means, who do not require and in any case cannot afford a self-contained apartment, conforming to by-law space requirements, but who, for the sake of convenience or economy, prefer to do their own cooking. No provision is made in the existing by-laws for the erection of accommodation suitable for this type of occupant and, in consequence, they have no alternative but to seek inferior accommodation in a rooming house, not originally designed for that purpose. There appears to be a definite gap in this connection in the dwelling types permitted under the by-laws and it is believed that provision for properly regulated accommodation of the hostel type would fill a real demand from a section of the community who are at present very poorly housed.

The Sanitary By-laws

The regulations governing the maintenance of dwellings in a sanitary condition are contained in the Provincial Health Act, and in the City Health and Lodging House by-laws.

The work of the City Health Department appears to be seriously hampered by the inadequacy of the existing sanitary by-laws. The City's powers with regard to the compulsory repair or closure of insanitary premises are both too limited and too vague and no definite standards of sanitation and equipment are laid down, except for certain types of dwelling. As a consequence, the Health Authorities are naturally hesitant to enforce their powers for fear that their rulings may be contested and the City involved in law suits.

It appears, for instance, that it is a very difficult matter for the authorities to secure the carrying out of structural repairs until the damage has gone so far that nothing short of closure is possible. If adequate powers existed to compel negligent landlords to make necessary repairs at an early stage of neglect, not only would the tenants be saved much discomfort, but the life of the building would be considerably prolonged. It is believed therefore that there is a strong case for the revision and consolidation of the health by-laws relating to housing in a single housing code, which can be readily interpreted and which will provide adequate powers for the enforcement of definite standards of accommodation, equipment and room occupation.

The Toronto Housing Standards By-law, passed in 1936, which lays down a detailed code of minimum housing standards, appears to have been a very effective instrument in securing the repair of defective dwellings. During the first 37 months of its operation, 8,212 notices calling for repairs were issued and repairs to the value of \$993,000.00 were carried out by the owners. Loans completed by the city for such repairs amounted to only \$3,245.00.

This by-law might well serve as a model for similar by-law legislation in this city. As soon as the necessary regulatory powers have been obtained, a comprehensive survey should be made of the structural condition of houses in the central areas as a first step in securing the demolition or repair of those houses which are in substandard condition.

The new lodging house by-laws introduced shortly before the war, by recognizing the existence of the housekeeping room as a specific dwelling type and establishing certain minimum standards of size, equipment and density of occupation for such accommodation, has prepared the way for an attack on the problem of the rooming house. But while this by-law will afford a measure of control over any new lodging or rooming houses which may be licensed in the future, it is more doubtful whether the very large number of existing rooming houses can be brought effectively under its control.

As has been previously noted, very few of the housekeeping rooms in these houses are fitted with satisfactory washing, cooking and food storage facilities and it is clear that further regulatory measures are required if any substantial improvement is to be brought about in the present position. In England, since 1935, definite standards of room occupation have been enforced and overcrowding is now a penal offence on the part of both landlord and tenant. Where overcrowding exists, municipalities are placed under an obligation to provide alternate accommodation where such is not available. The same principles should be applied in this city and specific standards of room occupancy established, not only for rooming houses, but for all types of dwellings.

The best code of sanitary by-laws is, however, of little value unless it is effectively enforced. The sanitation Division of the City Health Department is at present grossly understaffed.

There are eight building inspectors to cover the whole city as against ten in 1930. A staff at least 50% larger is required to handle the job effectively. Before the war Toronto spent 14 cents per capita per annum on sanitary inspection work, Vancouver spent 4 cents, and this in spite of the fact that Vancouver extends over a relatively much larger area and is therefore more difficult to cover effectively. This latter sum represented only 5% of the total annual expenditure by the City on health services.

Owing to the lack of staff, it is impossible for the Health Department to carry out routine house inspections of a preventive character. Regular inspections of this character, by checking abuses in their early stages, can do a great deal to prevent the development of undesirable housing conditions. Where, however, inspections are only made at the instance of a third party, the condition of the house has often become so bad that little action short of closure is practicable, and in many cases, even closure cannot be enforced because of the lack of alternate accommodation for the occupants. In an interim report to the Social Services Committee dated January 3rd, 1939, the Medical Health Officer made the following statement:- "Because of the limited staff, the activities in this field are restricted essentially to the investigation and the follow-up of complaints to insure elimination of nuisances and unhealthful conditions

An increased expenditure would result in more preventive and survey work with an improvement of a more lasting nature. Many sub-branches of this work receive only cursory attention."

There could be no falser economy than to stint the sanitary inspection services and it is strongly urged that the qualified staff of inspectors be substantially increased.

There appears also to be scope for greater co-operation between Building and Health Departments, whereby, in order to avoid duplicate inspections, the Health Department make a practice of notifying the Building Department of any infringement of the Building By-law which may come to its notice and vice-versa.

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THE CASE FOR A LOW RENTAL HOUSING PROGRAMME

The main elements of the housing problem differ little from country to country and no more convincing statement of the case for a low rental housing programme could be quoted than the following paragraphs drawn from a pamphlet "What the Housing Act Can Do for Your City" published by the United States Housing Authority.

"General truths, and even solid statistics, are never as illuminating as direct personal experience.

"A housewife calling to get her laundry, finds the laundress' baby sick of a serious contagious disease in the same dark room with the sheets and table linen going out to homes all over the city. A banker, turning down a loan, suddenly realizes that three-quarters of his city is no longer "sound" for residential investment. A child is run over -- why? Because his mother chased him out of the stuffy flat to play, and there was nowhere to go but the street.

"A public official wants to show a sceptical foreign visitor the great advantages and far-famed success of the American way of doing things. Where should he take him? After a brief tour of the city hall, the new post office, the zoo, a nonstop parkway, and a few bridges, the visitor is driven to the country club by a roundabout route, in order to avoid as much as possible of the seamy residential districts which suddenly seem to blanket the town. Over the refreshments, the foreigner relates how his city -- Manchester, Stockholm, Amsterdam, Glasgow, London, or any one of numerous towns with deep rooted democratic institutions and flourishing private enterprise -- has re-housed perhaps 20% of its entire population, cleared up miles of slums, and employed its building workers continuously on well-planned modern community housing projects which are permanent civic assets and even attract the tourist trade.

"Or an industrialist, enlarging his plant, needs some specially skilled workers employed in another town and offers them higher wages. They reply that they prefer to stay where they are, due to lack of decent homes available at reasonable rents in the industrialist's town.

"Or a bricklayer, out of work, sits on his front porch. He looks at his house and the other houses on his street -- all old, verminous, sagging and obsolete. His neighbour, who works in a steel mill, is being let out next week. And yet, he suddenly realises, no one on that whole street has ever lived in a new house, or been "in the market" for brick walls or steel beams.

"Or a public health officer, thinking up arguments to present to a hostile council on behalf of the increase in his next year's budget, is struck with the thought that most of this increase will be poured into one slum area, without either curing present ills or preventing future sickness."

The Causes of Slum Growth

Bad housing conditions may be brought about through the erection of shoddy buildings which rapidly fall into disrepair, or through the failure of the owner to maintain the house in good condition when built, or again through the intrusion of undesirable elements, e.g. industrial buildings, into a residential area.

These abuses can, however, be effectively controlled by means of by-law regulation, and where such controls are operative, they are not in themselves sufficient to produce widespread slum conditions.

By far the most important cause of slum growth resides in the inability of the private builder to build houses to rent at levels which the lower paid sections of the community can afford to pay. This hiatus between housing costs and ability to pay is manifested in a chronic shortage of low rental housing. The lower paid worker, unable to secure a new house within his means, is dependant on the cast off houses of a better-to-do class and the number of such second hand houses which become available depends largely on the size of the previous building boom and the excess of enthusiasm shown by the speculative builder. In other words, the demand for new houses originating from the lower paid workers, being an ineffective demand, has little influence on the supply of houses which is actually made available, and it is quite possible to have an over-supply of the more expensive type of house in combination with a serious shortage of low rental accommodation.

When a period of trade depression extends over a long period as in the pre-war years, building for the wealthier classes, like other luxury trades, tends to dry up and the shortage of houses becomes acute. The consequences of this shortage are naturally felt most acutely by those in the lowest income brackets.

This hand-me-down method of housing the community is not only very haphazard, it is also extremely wasteful from every point of view. The houses handed down to the low income groups, not being originally designed for their use, are usually too large and are in consequence subdivided for occupancy by more than one family. The extent to which this evil may develop, if economic forces are allowed to take their course, may be judged from the fact that in the County of London, England, nearly two-thirds of all families were living, in 1931, in multiple occupancy of houses which had not been structurally subdivided.

Not only is this type of accommodation a most unsatisfactory form of dwelling for the average family, but the wear and tear on the property is exceptionally heavy and such houses rapidly degenerate in quality and appearance.

Secondly, owing to the pressure of the demand from the lower paid worker, there is an irresistible incentive to convert large houses into rooming houses, since if they are filled full enough, the return will exceed that obtainable if the house remained in single occupancy, and no amount of by-law regulation will prevent it. As a result, the district in which these houses are situated begins to go down-hill and eventually becomes a "blighted area", while the better-to-do elements in the community move out to a more recently developed area where the same process is repeated at a later date. We have a classic example of this process in the West End.

This is a very costly process for property owners, since their property tends to depreciate rapidly in value and they unwittingly provide a concealed subsidy for the lower paid groups who move into the houses which they vacate.

It would in fact be very much more economical to build directly for the lower paid groups even though it involved a subsidy, since the provision of adequate housing accommodation at rents within the means of the lower income groups, when combined with properly enforced zoning regulations, is the best guarantee against "blight" creeping into good residential districts.

It is a matter of common knowledge that the worst housing conditions are usually found in large cities. This phenomenon is not solely due to the fact that the average age of the houses is usually greater than in smaller cities. It is also due to the fact that the average all-in cost of housing is greater. The larger the city, the further the worker has to live from the city centre and his place of work. Transportation costs may be regarded as one aspect of rent. If, for instance, in Vancouver a family with two wage earners lives within walking distance of their work, it can afford to pay \$6.00 a month more in rent than one which has to use public transportation. This is equivalent to one-third of the average rent of the lower third income group. These costs are reflected in higher land costs in the central districts, which are in turn reflected in higher rents. In addition, the larger the agglomeration of persons, the more elaborate must be the precautions with regard to sanitation, fire risks, etc. and this increases building costs.

Unfortunately wage rates and relief scales in the larger cities seldom fully reflect the higher costs of living, and housing conditions deteriorate in consequence.

This point has been discussed in some detail because it is sometimes argued that because Vancouver has up till recently been comparatively well housed, it is only necessary to wait until "normal" conditions return for matters to adjust themselves automatically. Unfortunately there is not the slightest possibility of any easy solution of the problem along these lines. Vancouver is destined to become a great city and with the growth of population the relative cost of housing will automatically increase and with it the difficulty of providing decent accommodation for the lower paid sections of the community.

Rents and Ability to Pay

Let us examine the reason for the inability of the speculative builder to house the lower income families. In the first place, the private builder normally builds for sale, not for rent. While no exact figures are available, it is probably safe to say that, with the exception of a few high rental apartments, over 95% of the dwellings built in Vancouver during the last few years have been built for sale or for owner occupancy.

A large proportion of families, however, are not in a position to buy their own homes and there are others who, even though they have the necessary capital, would be extremely ill-advised to do so.

Much ballyhoo has been written around the rosy ideal of home ownership; but while home ownership is an excellent principle for those who can afford without undue financial strain to buy their homes, bitter experience has shown that for the lower income groups, renting is the only safe policy. The savings of this group should be kept liquid against emergencies; they should not be tied up in a single highly illiquid and decidedly speculative asset, which may easily turn into a tax liability. A mortgage may last 10 or 20 years, but will a man's job? With no margin of safety to fall back upon, instability of employment and the risk of sickness continually endanger his mortgage payments and with them, his life savings. During the eleven years ended 1936, there were 1,600,000 foreclosures on dwellings (other than farms) in the U.S.A. In addition, a further 1,000,000 homes were only saved from foreclosure through governmental intervention. The total of these figures represents 43% of all the houses built in the U.S.A. during the boom period. This state of affairs was admittedly due largely to unsound methods of financing and to exceptional economic conditions, and Canadian experience was very much better, but the figures serve to indicate that home ownership is not without its risks. Home ownership, moreover, reduces the mobility of the worker and often prevents him from moving to another district in search of a job.

While lower figures may sometimes be achieved, the minimum cost of a well built two bedroom house with land for an individual owner may be estimated today at \$4,000. Financed with a 90% loan under Part 1 of the National Housing Act, carrying charges, including taxes and an allowance for maintenance, on such houses would amount to at least \$35 a month. Reckoning one-fifth of income for rent, gives a minimum annual income of \$2,100. In fact, however, owing to present inflated values, a 90% loan on the actual cost will seldom be granted and the purchaser is likely to have to put up 25% or more of the capital himself. Even if the inclusive cost of a house was reduced to \$2,500, the carrying charges would still be around \$25 a month, requiring a minimum annual income of \$1,500 a year.

According to the census statistics for 1941, nearly 85% of the wage earner heads of families in Vancouver were earning less than \$2,000 a year, 63% were earning less than \$1,500 a year. While some incomes will be augmented by family allowances and by the earnings of children, such receipts are usually of too ephemeral a character to be taken into account in reckoning ability to assume a mortgage extending over a period of years. It is safe, therefore, to say that well over half the families in Vancouver are not in a position to buy a new house even under the most favourable conditions of building costs and finance. Between 1940 and 1944, earnings in manufacturing industries throughout Canada rose by about 40%, but building costs rose by a greater percentage, so that today the proportion of potential home owners has diminished still further.

In short, the real need is for houses for rent (at under \$30 a month) and mere encouragement of the building of houses for sale does not begin to touch the problem of housing the lower paid worker.

Even assuming that the normal difficulty of financing private rental projects was overcome, it is clear from the above figures that if due allowance is made for higher financing charges, for losses through vacancies and bad debts, and for management costs, dwellings built by private enterprise will seldom rent for less than \$40 a month.

Let us compare these figures with the actual rentals paid by the lower income groups as revealed by the 1941 census figures. 57.7% of all rented homes in Greater Vancouver rented for less than \$25 a month. Those families earning less than \$1,000 a year (average income \$574), representing 38% of all renting families, paid an average of \$18 a month in rent. If they had paid the accepted proportion of one-fifth of their earnings, their rent would have averaged less than \$10 a month. It is obvious, therefore, that even for the old houses which they now occupy, a very high proportion of this lower income group is paying more than they can afford in rent, and that if the lowest income groups are to be materially assisted, decent accommodation at rents between \$10 and \$15 a month must be provided.

The Curtis report is emphatic on this point. It states that in terms of the proportion of income which it is generally agreed among housing authorities should not be exceeded for rents, a desirable average rent for this group (the lower third of all metropolitan tenant families) should not be higher than \$12 a month.

It is sometimes suggested that if a sufficient number of houses renting for from \$30.00 to \$40.00 a month are built, the lowest income groups will be benefited through a process of wholesale "filtering up", whereby the \$25.00 tenant moves into the \$30.00 house, the \$20.00 tenant moves into the \$25.00 house and so on. English experience has shown, however, that this theory holds good only to a very limited extent, since the additional supply of housing tends to be fully absorbed on the way down long before it has reached the lowest paid group. Before this method could become really effective, the increase in the supply of higher grade housing would have to be so great as to cause a very serious disturbance in rentals and real estate values and this disturbance would effectively discourage further building long before the process was completed.

Another statement frequently heard is that the surest method of solving the housing problem is to raise the general level of wages through increased efficiency of production. If the rise is sufficiently great, this of course is true, since a smaller proportion of total income need be devoted to the other necessities of life, but the process is likely to be a slow one, since building wages have a way of rising along with other wages, with the result that the relationship between building costs and general wages remains unaltered.

The only really effective way to solve the problem is to reduce rents themselves. Rents may be reduced by lower costs, not only building costs, but equally important, land, financing and management costs. If, after costs have been reduced to a minimum, there is still a gap between rents and capacity to pay, this gap must be met by rental subsidies until the increased supply of housing or the rise in the standard of living has bridged it.

Before proceeding to examine possible means of reducing rents, a brief survey will be made of the methods by which the housing problem has been attacked in other countries, and the legal and financial means at our disposal here in Canada.

FOREIGN HOUSING

European Housing

Owing to the relative youth of Canadian cities, bad housing appears to many people in this country as a recent and comparatively unfamiliar problem which they assume will solve itself with increasing national prosperity. In Europe, however, governments and cities have been wrestling with the problem for a great many years and much can be learned from the experience they have gained.

It is a 100 years since England passed her first legislation for the improvement of housing conditions and she has been passing housing laws ever since.

Housing measures before World War 1 were confined mainly to the imposition of regulatory controls in the form of building and sanitary by-laws and to attempts to clean up specific slum conditions. It was not until after the world war that the acute shortage of dwellings arising from the cessation of building during the war years provided the necessary stimulus for the initiation of government aided building programmes on an important scale.

Rising public indignation, fortified by the growing realization of the cost of bad housing in terms of health, happiness and social services, forced governments to take action.

Unassisted private enterprise was quite unable to cope with the problem. It was therefore necessary to promote house building either through the offer of cash subsidies to private builders or by assisting municipalities or other bodies of a semi-public character to undertake building themselves. Owing to the difficulty of exercising the necessary controls over the numerous small speculative builders and the fact that the latter were primarily organized to build for sale, not for rent, the former method proved wasteful and ineffective and was soon abandoned. Assistance by the central government to local housing authorities of a public or semi-public character usually took the form of cheap finance supplemented in many cases by cash subsidies payable annually over a period of years, and were generally conditional on the municipality also making a proportionate contribution.

In England practically all housing of a public character has been carried out by the municipalities themselves. Between the two wars they built over 1,100,000 houses for rent at rents ranging from \$5.00 to \$15.00 a month for houses of 3 to 5 rooms (excluding London). These low rents were achieved by a combination of low building costs, resulting from high and relatively stable production volumes, government finance at low interest rates and, in the majority of cases, annual subsidies borne by central and local governments in varying proportions. The Housing Bill now before Parliament provides a standard subsidy of \$8.25 per month per dwelling for 60 years, of which the local authority bears 25%.

The great bulk (probably over 80%) of the two and three-quarter million houses built by private enterprise in England between the two wars has been financed by Building Societies. Such societies accept short term deposits bearing relatively low rates of interest and make loans to house builders up to from 75% to 90% of the cost of the building amortized over a period of from 14 to 20 years. The inherent stability of the English real estate market, assisted no doubt by a local taxation system based on revenue instead of capital values, has greatly facilitated the financing of such building.

In Scandinavia and Germany, tenant co-operatives assisted by government finances at very low interest rates; and in Holland and Italy, limited dividend public utility societies, operating with government finances and closely controlled by the municipality in whose territory they operate, have been an important factor in the provision of low rental housing.

But whatever the specific type of organization selected for the work, certain common principles can be traced throughout the housing policies adopted by the leading European countries. In the first place, the speculative element, so wasteful in terms of land and financing costs, has been completely eliminated from low rental housing. Low cost housing has ceased to be a mere by-product of the activities of the land speculator and has achieved the status of a public utility occupying a permanent place in local government functions as part of a broad programme of social betterment.

Secondly, the assistance of the central government in the provision of cheap

finance has always proved necessary, since few local authorities have the credit facilities necessary for the financing of large housing projects. In addition, in order to bring rents sufficiently low to help those families who were worst housed, it has generally proved necessary to provide cash subsidies in the form of annual grants. Central government subsidies are nearly always made conditional on proportionate contributions being made by the local authority either in the form of tax exemption or of a direct cash subsidy.

Thirdly, while the central governments have exercised a general supervision over housing operations and have granted subsidies in one form or another, the actual responsibility for initiating and carrying out the building programme has rested with the local authorities.

Fourthly, the large potential demand for low rent housing combined with the importance of many of the authorities entrusted with rehousing work has for the first time introduced the possibility of large scale, long term planning and production in the building industry. The possibilities of this factor in revolutionizing building techniques and in the scientific planning of complete communities needs no emphasis.

Much of the European public housing has reached a very high standard of excellence, both in economy of construction and in imaginative planning, and compares very favourably with the houses turned out by the speculative builder.

Measured solely in terms of output, European housing achievements have been equally striking. England built nearly 4,000,000 dwellings between the two wars, providing new accommodation for something like 40% of the population, while over 1,000,000 persons were removed from slum areas under slum clearance projects.

Germany built an almost equal number of dwellings, while Holland has nearly doubled the number of her dwellings since 1910, and the achievements of the Scandinavian countries and Austria have been relatively no less impressive.

In spite of her labour and material shortages, England is today pushing ahead with vast plans of public housing. One city alone, Birmingham, is proposing to spend \$450,000,000 on a 30 year replanning project which will involve the tearing down of a half square mile of slum properties and the conversion of the site into modern residential centres.

United States Housing

"I see one third of a nation ill-housed, ill-clad, ill-nourished" - Franklin D. Roosevelt.

The United States was a late starter in the housing field, her first legislation covering low rental housing not being passed until as recently as 1934. This was not because bad housing did not exist -- far from it, but rather because of a deep-rooted popular belief, handed down from pioneer days, that if private enterprise was left to itself, every honest person willing to work would sooner or later be able to acquire one of the dream cottages of the advertising page and live happily ever after. Finally, however, the weight of contrary evidence became overwhelming.

The Real Property Inventory initiated by the Federal Government in 1933, which covered 64 cities and 8,000,000 households, disclosed the following facts: 1,100,000 homes, or nearly 14% of the total, had such serious structural defects that they were unsafe or absolutely unfit for use, 20% had no private bathing facilities, 15% had no private indoor water closet. The Federal Census survey of 1940 showed that 49% of the 35,000,000 home units surveyed were either in need of major repairs or had no private bath.

Owing to the almost complete cessation of building after the 1929 crash, conditions steadily deteriorated from that date. During the 7 years ending 1937, the United States only built 6 houses per 100 families as against 21.4 houses per 100 families built in England during the same period, and a colossal backlog of housing has accumulated.

The National Housing Act passed in 1934 authorized the Federal Government to undertake low rental housing projects on its own account and a limited number of demonstration projects were completed under this Act.

The direct entry of the Federal Government into the housing field was, however, frankly experimental and in 1937 the previous legislation was superseded by the United States Housing Act. By this Act a permanent housing policy was established for the first time and the responsibility of the community for the decent housing of its people finally accepted. Housing operations had previously been centralized. This Act (suspended, in part, after the entry of the United States into the war) placed the whole responsibility for initiating and carrying out housing projects on local housing agencies. The United States Housing Authority created under the Act may make loans to public housing agencies up to 90% of the cost of the project, repayable over a period not exceeding 60 years. Such loans bear interest at the "going Federal rate" plus one-half of one percent.

The Authority may make annual contributions up to a sum equivalent to the federal rate of interest plus 1% of the cost of the project, provided the State or City in which the project is situated contributes in cash or tax remissions at least 20% of the Federal contribution.

Alternately, capital grants may be made, not exceeding 25% of the cost of the project. In all cases, however, the local contribution must be sufficient to reduce rents to a level low enough to meet the needs of the lowest income families.

A public housing agency includes any state, county, municipality or other public body, but does not include limited dividend corporations, which receive no assistance under the Act.

Put very broadly, the Act means that, provided the local authority will do its share by providing free land or tax exemption for low rental housing projects, the Federal Government will provide the necessary finance for such projects without cost to the authority, since the amount of the Federal subsidy is approximately equivalent to the carrying charges on the Federal Loan. This is a very considerable subsidy and is convincing evidence of the intention of the Government to get to the root of the problem and help only those families who really do need help. That this intention is being realized is shown by the fact that the average shelter rent of U.S. Housing authority dwellings in 1941 was \$12.64 per month, or, including heating, water, light, etc. \$17.82. The average income of the tenants was \$837.00, with two-thirds of the families coming within the \$500 - \$1000 range. The average net cost per dwelling unit was \$2720, while the cost of the subsidy, excluding local contributions, averaged \$8.00 per unit per month.

The response of local authorities to the Federal housing drive was immediate. By mid 1941, some 130,000 units had been erected in over 500 communities.

The extremely low rate of interest, averaging under 2%, at which local housing authorities have been able to sell bonds to cover the balance of capital not put up by the Federal Government is convincing evidence of the financial soundness of this type of public housing administration.

In November, 1945, a new housing bill was introduced into the U.S. Senate confirming and extending previous housing legislation. The bill provides \$800,000,000 to assist the financing of a low rental programme of 500,000 units over a four year period, with federal subsidy contributions rising to \$88,000,000 a year. Subsidies are provided for slum clearance, direct institutional investment in large scale housing projects is encouraged and home ownership financing further liberalized.

Finally, all Federal housing agencies are brought under the aegis of a single authority, the National Housing Agency, which becomes solely responsible for overall housing policy.

As an earnest of his intentions, the U. S. National Housing Administrator recently announced a programme of 2,700,000 low cost dwellings to be completed or under construction by the end of 1947.

CANADIAN HOUSING LEGISLATION

The first official measures to assist housing in Canada were taken in 1919, when the Dominion Government made loans to the Provinces for the housing of returned soldiers. The Provinces passed this money on to the municipalities, who in turn loaned it to individual applicants wishing to construct homes.

The Better Housing Scheme, as it was known, was conceived as an emergency measure and was virtually doomed to failure from the start. It was, in the first place, a house-purchase, not a rental scheme, loans being made at 5% repayable over 20 years. Loans were made up to nearly 100% of the cost of the houses at a time of high building costs and insufficient investigation was apparently made of the financial stability of the borrowers. With the advent of the 1920-21 slump, many of the borrowers failed to keep up their payments, and at the end of 1938 64% of the loans were defaulted or in arrears.

Not only did this scheme involve the City in considerable financial loss, it had the additional misfortune of creating a prejudice against government assisted housing, which has delayed the acceptance of more recent schemes conceived on entirely different lines, to which the objections inherent in the Better Housing Scheme do not apply.

No further national action in the housing field was taken until 1935, when the Dominion Housing Act was passed. This gave financial assistance to authorized loan companies who agreed to grant mortgages to prospective home-owners on certain terms and conditions laid down by the Act. After three years operation the scope of this legislation was enlarged and the terms liberalized by the passage of the National Housing Act of 1938.

National Housing Act - 1938

Part 1 of the National Housing Act, 1938, provided Dominion financial assistance to authorized loan companies undertaking to make mortgage loans, amounting to from 70% to 80% of the total cost of the house and lot, on houses and apartments built for occupation or sale (up to 90% if the amount of the loan was under \$2500). The mortgage, bearing 5% interest was repayable by instalments over a period of 20 years subject to a revaluation of the security at the end of ten years. The relatively low rate of interest was made possible by the Dominion advancing one quarter of the value of the loan to the lending company at 3% interest. The Government also undertook to assume a proportion of the loss in the event of the borrower defaulting on his payments of interest.

After a slow start caused by the initial reluctance of the loan companies to operate the Act, excellent advantage was taken of the facilities provided by this legislation. The total number of dwelling units erected in Greater Vancouver under the Act was 3748 and the value of the loans made \$11,387,456 - or an average of \$3038 per unit.

It is estimated that over three-quarters of all mortgages secured on houses of an eligible type in the years immediately prior to the war, were financed with the assistance of the Act and it seems reasonably certain that a good proportion of this construction would not have been undertaken had it not been for the assistance provided by the Act.

But probably by far the most valuable function performed by the Act has been the establishment of sound methods of finance in the mortgage field. The old system of house financing by non-reducing first mortgages supplemented by a second mortgage bearing a high rate of interest and callable at short notice, was a primary factor in creating the highly unsatisfactory real estate situation which culminated in the partial moratorium on mortgage payments declared in 1932. The introduction of monthly instalment repayments as standard mortgage practice and the lowering of interest rates should go a long way towards making home-ownership a safer investment. This will, in turn, stimulate new building.

Part 11 of the Act was designed to promote the provision of low rental housing accommodation by Local Housing Authorities for those who were unable to afford an economic rent. A Local Housing Authority could be either a limited dividend corporation, dividends on whose capital were limited to 5%, or a municipality or other body not operating for profit.

Loans might be made by the Dominion Government to Limited Dividend Corporations up to 80% of the total cost of a housing project bearing interest at $1\frac{3}{4}\%$. Loans to municipalities might be made up to 90% of the cost of the project at 2% interest. In either case, the loan was to be amortized over a period of 35 years through a 2% sinking fund.

The average lending value of the dwelling might not exceed \$3,000.00.

As a condition of such loans, the municipality had to approve each project and agree not to levy municipal taxes on such projects in excess of 1% of the total cost of land and buildings. In the case of Limited Dividend Corporations, the municipality had also to agree to forego all taxes on such projects in the event that earnings were insufficient to meet interest and principal payments on the Dominion Government loan. If the Local Housing Authority was not a Limited Dividend Corporation, the Provincial Government had to guarantee the Dominion loan. The income of families housed in such projects could not be more than 5 times the "economic rent", nor less than 5 times the actual rent. The "economic rent" was defined as $9\frac{1}{2}\%$ of the total cost of the dwelling, plus normal municipal taxes.

Both the Province and the municipality were empowered to contribute to a rent reduction fund in connection with such projects.

This legislation represented the first attempt by the Dominion of Canada to meet the problem of housing the lower income groups.

The Act was, in general, soundly conceived. It afforded the opportunity of experimenting with alternate types of housing administration; through the limitation on costs and incomes, it confined the benefits of such housing to those who really needed better housing; it provided the cheap finance so necessary in any low rental housing programme; and, while the subsidies were not heavy enough to make possible the housing of the very lowest income groups, it would have rendered practicable at the time the Act was passed, the rehousing of a large group of wage earners, who were living in poor accommodation and this at a very moderate cost to the community as a whole.

Even if the whole \$30,000,000 made available under the Act had been used, the annual cost of the Dominion contribution would only have amounted to about 5 cents per head of the population. Not a cent, however, of this money was ever spent, owing to the unwillingness of the municipalities to give their approval to those clauses of the Act requiring partial tax exemption of low rental housing projects, and the golden opportunity of low building costs in conjunction with low financing charges was allowed to pass.

The Home Improvement Loans Guarantee Act, 1937

The purpose of this Act was to encourage the repair and improvement of existing buildings by facilitating the granting of loans to home owners on personal security by Chartered Banks and other approved lending institutions.

Loans could be made up to \$2000 for each single family house, repayable by instalments within 3 to 5 years according to the value of the loan. The maximum charge could not exceed a rate of discount of $3\frac{1}{4}\%$ for a one-year loan repayable in equal monthly instalments. This was equivalent to an effective rate of interest of 6.32% per annum. The Dominion Government guaranteed the lending institution against losses up to 15% of the aggregate value of the loans.

The Home Improvement Plan served a double purpose. It helped to prolong the useful life of many existing buildings, and it created a considerable volume of employment in the building trades.

Up to May 31st, 1939, 2,985 Home Improvement loans to the value of \$833,113 and of an average value of \$279 had been made in the City of Vancouver.

This Act was discontinued in October 1940, but it seems probable that it will be reintroduced as soon as building materials are in greater supply.

National Housing Act 1944

The National Housing Act, 1938, was superseded by the National Housing Act of 1944.

Part 1 extends the assistance to prospective home owners initiated under the Act of 1938.

Loans may be made by approved lending institutions acting jointly with His Majesty's Government to prospective home owners and to builders intending to sell the house to a person who will own and occupy the house. Loans may also be made to co-operative housing corporations, subject to certain conditions. A joint loan shall not be less than 50% of the lending value of the house, nor more than (a) 95% of the first \$2000 of the lending value (b) 85% of the amount by which the lending value exceeds \$2000 and does not exceed \$4000 (c) 70% of the amount by which the lending value exceeds \$4000.

The rate of interest on such loans shall not exceed $4\frac{1}{2}\%$ calculated semi-annually and the term of the loan shall not exceed 20 years, except that, where in the opinion of the Minister the area in which the house is to be erected is adequately protected by community planning, the term of the loan may be extended to 30 years.

Losses on joint loans are to be shared proportionately by the lending institution and the government (the government share of the loan not to exceed 25%). In addition the government will assume up to 15% of the aggregate loss of the lending institution within any class of loan. Summing up, the new act increases the maximum loan which may be made on lower priced houses, lowers the rate of interest and extends the permissible life of the loan. At the present time, however, owing to inflated building costs, the lending value seldom exceeds 75% of the actual cost of the house and is often less, with the result that many would-be purchasers are unable to find the equity capital required.

It was stated by a private member during the last parliamentary session that 85% of service men's applications for loans under the National Housing Act had been turned down. It would not be good policy, however, to press the lending agencies to raise their lending values, since house purchasers with limited resources buying at today's inflated values are likely to become casualties of the first slump and to weaken thereby the financial structure of a housing market overloaded with mortgages secured on property which can only be realized at sharply depreciated values. The number of housing units erected in Greater Vancouver up to Nov. 30th, 1945, under the National Housing Act 1944 was 621, with a total value of \$2,377,760, or an average of \$3,828 per unit. To date, no loans for a period in excess of 20 years have been made in the Vancouver area.

The Integrated Housing Plan, operative under the War Measures Act, applies to speculative housing developments of 50 houses or over, selling between \$4,000 and \$6,000. The government undertakes to purchase from the builder, at cost or lending value, whichever is lower, any house remaining unsold for more than one year after completion, subject to certain limitations on construction profits.

It appears very difficult to justify such a subsidy, since, with the building industry already stretched to the limit, the private builder requires no additional incentive to production, while the likelihood of the subsidy benefiting the poorly housed families who really need assistance appears to be very small.

Part 11 of the National Housing Act 1944 provides financial assistance for rental housing.

Loans made by approved lending institutions jointly with His Majesty's Government for the construction of rental housing projects by private enterprise shall not exceed 80% of the lending value of the project nor extend beyond a term of 20 years, or if the district is protected by community planning, beyond 25 years.

ate of interest shall not exceed $4\frac{1}{2}\%$ per annum.

Loans may be made by His Majesty's Government, acting alone, to limited dividend housing corporations for the purpose of constructing low rental housing projects or for the purchase and conversion of existing buildings to this purpose.

Such loans shall bear interest at the rate of 3% per annum, shall not exceed 90% of the lending value of the project and shall be for a term not exceeding 50 years.

Before such a loan will be granted, His Majesty's Government must satisfy itself with regard to, inter alia, the need for the additional housing accommodation projected, the existence of adequate community planning and municipal services in the district in which the project is located, and the financial and managerial standing of the corporation.

Dividends paid by such corporations shall not exceed 5%. The maximum ratio between rentals and tenant's incomes shall be such as to ensure the maintenance of the low rental character of the project, and the corporation may receive contributions to a rent reduction fund from any province, municipality, social agency, etc.

Should the project be sold, the shareholders shall not receive more than the return of their investment and the limited dividend accrued.

If the low rental character of the project is not maintained, the Government may call in the loan.

The Act also empowers insurance companies to invest up to 5% of their total Canadian assets in low or moderate cost rental housing projects.

The Government guarantees the companies a minimum return of $2\frac{1}{2}\%$ on their investment for the life of the project, which shall not exceed 50 years. The companies must, on the other hand, put to a reserve against subsequent losses, profits in any one year exceeding 6% of their investment. A recent amendment to the Act provides that if such companies form subsidiary limited dividend corporations for housing purposes, the latter will also qualify for government loans up to 90% of the value of the project at 3% interest.

In order to assist in the clearance and replanning of blighted and slum areas, the Minister may, subject to the approval of the Province, make grants to a municipality to assist in defraying the cost of acquiring and clearing an area of land suitable as a location for a low or moderate rental housing project. Land so acquired is to be sold to a limited dividend or a life insurance company at a price which will enable the housing units erected thereon to be rented on a fair and reasonable basis.

Such grants shall not exceed one half of the amount by which the cost of acquiring and clearing the land exceeds the price at which it is sold to the housing corporation or insurance company.

In November 1945, an act was passed setting up the Central Mortgage and Housing Corporation with a capital of \$25,000,000 to take over the financial administration of the National Housing Act.

By comparison with the 1938 Act, the National Housing Act of 1944 marks a retrograde step so far as low rental housing is concerned.

In the first place, no provision is made in the Act for the financing of local housing authorities set up by municipalities or other governmental bodies; and secondly, the modest subsidy represented by a 2% interest rate provided in the 1938 Act has been withdrawn and, apart from contributions towards the clearance of slum areas, no subsidies are now payable by either Dominion or Municipal authorities for the assistance of low rental housing.

These defects will be examined in further detail under subsequent headings.

Veterans Land Act

This Act is primarily designed to assist veterans in the acquisition of farms and small agricultural holdings.

In addition to financing the purchase of individual farm holdings, the Dominion Government has acquired agricultural acreage and subdivided it, in the case of suburban land, into lots consisting mostly of one to two acres: houses are being erected on these lots and sold to veterans.

The purchaser is required to deposit 10% of the total cost and agrees to pay a further two thirds of this cost by annual instalments extending over a period of years, not in excess of 25. In other words, the Government absorbs 23-1/3% of the total cost. Grants of equipment are also made.

Construction of some 300 houses on Lulu Island was commenced in 1945, of which only a small number had been completed by the end of the year. It is understood that a further limited construction programme is planned for 1946. The cost of the houses, including land, ranges from \$4,300 to \$5,000, giving a selling price, after deduction of the Government grant, of from \$3,300 to \$3,830.

For those veterans and their families who can put in a fair number of hours in cultivating their holdings, the scheme is well adapted, and the produce obtained will serve as a useful reserve in times of under-employment, but there is some question whether owing to the acute housing shortage, many veterans, who have neither the time nor the inclination to cultivate their holdings properly, will seek to buy houses under the Act. These purchasers may form an unstable element who will seek to move out when the housing situation eases, and whose poorly cultivated lots may unfavourably affect the whole neighbourhood. A system of careful owner selection should lessen this danger to some extent.

WARTIME HOUSING

Owing to the heavy movements of population to centres of industrial production, the war created an emergency housing problem requiring immediate action, and to meet this emergency Wartime Housing Limited was formed as a Crown Company to build houses for workers in those parts of Canada where war industries had created a serious housing shortage.

While earlier projects, erected as a temporary measure, left a good deal to be desired in design and layout, the post-war types provide a considerably higher standard of accommodation. Rents were fixed primarily in relation to the prevailing levels in the district, rather than to costs or ability to pay, and range in Vancouver from \$22 to \$30 a month inclusive.

As part of the agreement between the Dominion Government and the City of Vancouver it was stipulated that Wartime Housing Limited should pay an annual sum in lieu of municipal taxes of \$24 for the 2-bedroom house and \$30 for the larger house until 1958, whereafter a sum equivalent to full taxes becomes payable.

Land for the houses, consisting of serviced city owned lots, was obtained from the city for the nominal sum of \$1 per dwelling unit. In the event of the sale of the houses to private individuals, the Dominion Government undertakes to pay to the City, as compensation for the value of the land, \$400 per house, if sold before December 31, 1950 and \$200 if sold between 1951 and 1955 inclusive. The City has the option, exercisable in 1959 to purchase, as a whole, the houses owned by the Dominion Government for \$1,000 per house. The selection of tenants is confined to members of the armed forces who have served overseas.

In the case of houses erected in North Vancouver the agreement stipulated that the municipality could require the houses to be pulled down at any time after 6 months from the date of the official publication of the cessation of hostilities in the Canada Gazette. Unless and until this requirement is enforced the houses remain the property of the Dominion Government.

The first group of houses erected were in North Vancouver, where a total of 750 single family dwellings were built between December 1941 and July 1943. The average cost of the houses alone was around \$1,800, but extensive work had to be done on the sites and in the provision of utilities, which brought the all-in cost per dwelling unit to close on \$3000. 300 houses were completed on Sea Island in 1944 at a cost of approximately \$2040 each, or \$2770 including site costs and services. In the same year 100 houses of more permanent construction were completed in the City of Vancouver at an estimated net cost of \$3475 each. At December 31, 1945 a further 1006 houses were under construction in the City of Vancouver, making a total programme to date for the whole area of 2156 dwelling units. This figure does not include the 300 houses under construction in Richmond under the Veterans Land Act.

The North Vancouver projects were put up as a rush wartime job without benefit of previous experience and they should not be regarded as a representative example of public housing practice. The grouping of the dwelling units, besides affording better architectural effects, would have lowered building costs and permitted a more solid house to be constructed, while more imaginative site planning and the control of front yards to secure effective street landscaping would have added considerably to the amenities of the estates.

The houses erected in the City of Vancouver are of good quality and of attractive appearance and, while the necessity of building on serviced lots made it impossible to secure the advantages of large scale community planning, they undoubtedly provide as good or better value for money than the majority of the cheaper types of house now being put up by the private builder. Wartime housing is, in fact, providing an invaluable addition to the supply of moderate rental housing in Vancouver and constitutes the sole public attempt so far made to meet the crying need of the returned soldier.

The theoretical cost to the City in terms of tax exemption on the whole project to date is roughly \$75,000 a year for approximately 13 years, or 2/3 of 1% of the City's annual tax revenue, which, even if it was an actual expense, would surely not be too large a sum to pay to see some 1100 returned men and their families decently housed. In fact of course, the majority of the men accommodated would not have been in a position to build for themselves and to this extent the houses represent a net addition to the total value of taxable property. In as much as all the lots used were already serviced, the City has not been involved in any appreciable capital expenditures, and is receiving, on the other hand, some \$30,000 a year in lieu of taxes, which will much more than cover any additional maintenance cost. The temporary sacrifice by the City is thus more apparent than real. If, on the other hand, the City decides to buy the houses at the end of the allotted period, they should actually be gainers on the transaction, since a house costing \$3500 should surely be worth more than \$1000 at the end of 13 years.

While, on general principles, it is undesirable for the Central Government itself to undertake building operations, the present emergency entirely justified the joint action by Central and Local Governments and so long as this emergency continues and no alternative machinery for providing moderate rental housing exists, the present programme should be continued and extended.

THE ADMINISTRATION OF LOW RENTAL HOUSING

As has been seen, both England and the United States have, after long experimentation, placed the administration of low rental housing squarely in the hands of local Governmental authorities, in one case under direct municipal control, in the other case as semi-autonomous housing authorities set up by the municipality or State.

There are many arguments for making housing the responsibility of the municipality. Housing is essentially a local problem and, while, owing to its greater financial resources and taxing powers, the Dominion Government must necessarily provide the bulk of the capital and subsidies required, the initiation and operation of housing projects should rest with the local authorities.

Secondly, bad housing is merely one aspect of public health, which is already a civic responsibility, and it is logical that the responsible authority should possess the means of correcting such conditions by providing good housing to replace defective accommodation.

Thirdly, local Government authorities are in a more favorable position than private bodies to provide the equity capital, in the form of land or low interest bearing stock, necessary to carry out housing projects on the scale required, and to acquire and service the land for such projects.

Fourthly, subsidies for housing the lower income groups will be necessary and it is preferable that such subsidies should be paid to bodies directly or indirectly responsible to the tax payer rather than to private bodies not subject to such control.

In short, low rental housing should be regarded as a public utility which must be provided by the municipality just as it now provides water, sewer and other civic services.

Local authorities have hitherto fought shy of accepting this responsibility and have sought either to ignore it or to pass it back to the Dominion Government, but force of circumstances and the pressure of public opinion is gradually forcing them to face the issue.

Municipal Housing raises the obvious dangers of 'politics' and bureaucracy, but these dangers would be avoided if a semi-autonomous authority was set up on the American model with a Board of Directors appointed for, say, five-year terms, composed of nominees of the municipality and the province, and including business men and social workers with special knowledge of housing. The function of this Board would be to survey the housing needs of the community, prepare a programme of operations and see that it was carried out efficiently within the financial conditions laid down by Dominion legislation. This administrative set-up would possess the following advantages:

1. Such a Board, working to a long term programme and operating on a large scale would, with the accumulation of experience, be able to achieve building and operating economies which would not be open to private corporations working independently on a number of individual projects.

2. Since the housing authority would be a separate legal entity responsible for its own finances, the municipality would not risk incurring any financial liabilities, other than those agreed to, in connection with such a programme.

3. Owing to its close relationship to the City, the Authority would be in a better position than a private corporation to secure satisfactory co-operation on matters of town planning, assembly and acquisition of land, handling of relief tenants, etc.

4. The City Council would be protected from political pressure from tenant-electors and other interested groups, since, while it would retain general control over the policy of the Authority through its power to approve or reject projects submitted by the Authority, it would have no concern with the day to day administration of the Board.

In rejecting a policy of municipal participation in housing, the Minister of Finance gave as his grounds the inability "to assure that such (municipal) control of tenants and rentals would be administered on an efficient and independent basis". This is a very serious accusation of inefficiency and corruption against our local governments, which must be met. The very same bogey was raised when England went into public housing. The English municipal authorities now own over one million rented houses, but complaints of maladministration are extremely rare and it is generally acknowledged that they make more efficient landlords than the average private real estate owner. Losses through vacancies and non-collection of rents average well under 1%, a very low figure.

5. It would be possible for such an Authority to be enlarged to include representatives of the outlying municipalities in order to provide housing on a metropolitan basis.

The Vancouver metropolitan area is for housing purposes a single economic and social unit. A worker employed in the city may live in Burnaby, or vice-versa, and industrial or housing development in one municipality will directly affect the neighboring municipalities.

In the not very distant future, the City will find itself obliged, as many other cities have done, to go outside its own boundaries in order to secure suitable sites for the housing of its population, and unless the housing plans of each municipality are correlated with a master plan for the whole area, considerable confusion and overlapping may develop.

There are in fact many arguments in favour of a Metropolitan Housing Authority which would undertake housing operations for those municipalities who desired it, since such an authority, operating on a large scale with expert technical guidance, could build better and more cheaply than a number of small municipalities who would each have to set up a separate staff for the purpose.

The creation of such an authority would merely extend the principle of inter-municipal co-operation already embodied in such organizations as the Greater Vancouver Water Board and the Metropolitan Health Committee and might be accompanied by the setting up of a Metropolitan Planning Commission to co-ordinate all metropolitan activities.

In spite of the teachings of foreign experience, in spite of the recommendations of the Curtis report and in spite of the precedent established by the Act of 1938, the Dominion Government, in drawing the National Housing Act of 1944, chose to ignore the municipalities as a factor in housing and placed its reliance entirely on Limited Dividend Corporations and Insurance Companies for the production of low rental housing.

Limited Dividend Corporations

The Limited Dividend Corporation, with dividends limited to 5% and financed by a 90% loan from the Dominion Government, affords private initiative the opportunity of demonstrating what can be achieved in the low rental housing field and, by force of example and experiment, of stimulating local Government authorities to take similar action. Projects sponsored by this type of organization may also serve as a useful yardstick for comparison with municipal or other projects. But to expect the Limited Dividend Corporation to become a major factor in the provision of low rental housing is to be very hopeful indeed.

As an investment, such corporations have few attractions for the private investor and the number of philanthropically minded capitalists in this or any other city is strictly limited. The initiation and expansion of such projects is therefore likely to be constantly handicapped by the inability to raise the necessary equity capital.

To date, one year after the Act became operative, not a single Limited Dividend project has been undertaken in any part of Canada.

Insurance Companies

Owing to their large resources and efficient management, insurance companies can make a valuable contribution to housing, more particularly in the medium rental multiple dwelling field, where large scale operations offer important advantages in site utilization and construction economies. Such companies are, however, organized on a national basis and their first concern must rightly be the interests of their shareholders. Central financial policies are therefore likely to take precedence over local housing needs and the social aspects of housing will possibly receive less attention than they deserve.

It appears likely that the bulk of insurance company housing will be conducted on a limited dividend basis with 90% government finance, so that the original intention of attracting considerable amounts of insurance company capital into the housing field will not be realized. Criticism may, in consequence, be voiced against the granting of special assistance to insurance companies through the provision of large amounts of government money at cost, together with a guaranteed minimum revenue, for the production of housing which (unlike subsidized low rental housing) will compete in large degree with the private builder for the medium income customer.

Early press reports of insurance company projects in the east suggested that rents would range from \$40 to \$55 a month, but it is understood that the government is bringing pressure to bear on the companies to secure a lowering of rental levels. But while lower costs should be achieved, the housing will certainly not come within the low rental field.

It is undesirable, on the other hand, that government subsidies for low rental housing should be paid to private commercial organizations, which are not subject to the tax payers control and which have no special social obligation to the community. The two agencies selected by the government for the implementation of its housing programme thus offer little prospect of producing low rental houses and it is difficult to believe that any such objective was seriously envisaged by the government.

There is a third type of organization, namely, the Cooperative Housing Society, which, if organized on a limited dividend basis, would presumably qualify for financing under section 9 of the Act and which offers brighter prospects for the provision of moderate rental houses than those previously discussed.

Cooperative Housing Societies

Cooperative Housing Societies, if permitted to operate under section 9 of the Act, would be financed by loans at 3% interest from the Dominion Government up to 90% of the lending value of the project. The 10% equity would be raised from the members of the Cooperative, each member who agreed to subscribe the required capital being entitled to rent one of the dwellings built and owned by the Cooperative. The shares would not be negotiable, but in the event of a tenant wishing to relinquish his lease, the Society would arrange for the transfer of his share holding to the incoming tenant. The dwellings would remain the property of the Society, but any surplus from operations or reductions in operating charges through the amortization of the Government loan would be passed on to the tenant in the form of lower rents or additional community services.

Large scale operations would provide construction economies not open to the individual builder and the grouping of houses in a planned neighborhood unit would release land for community facilities, such as play parks, community centres, nursery schools, etc., which must today be considered as much a part of housing as the houses themselves.

Operating costs on this type of project should be low. Losses through vacancies and uncollectable rents would be small as the tenant has himself an investment in the enterprise, while committees drawn from the tenants themselves would handle many of the management problems of the estate.

If the total cost of a two-bedroom house with land and services were \$4,000 and no interest was reckoned on the equity capital, the rent would work out at rather under \$30 a month, including \$12.97 for interest and (40 year) amortization charges.

Interest at $4\frac{1}{2}\%$ and 20-year amortization on a National Housing Act home ownership loan for the same value would be \$22.69 per month, or nearly \$10 per month more than the financing charges under the Cooperative Housing plan. This figure takes no account of the lower capital costs of a cooperatively built house. It is true that after 20 years the amortization charges on the individual loan would cease, but this knowledge is likely to be a hollow consolation for the would-be home owner, since in the vast majority of cases the extra \$10 a month would preclude the possibility of his building his own home in the first place. Add to this the fact that owing to high building costs and low valuations the home owner would probably have to put up at least \$1,000 of his own money as compared with an investment of, say, \$500 in the cooperative project (since it is understood that the Government will value such undertakings on a basis closer to actual cost than that adopted by private lending agencies), and the benefits of Cooperative Housing to the family of moderate income become apparent.

To conclude, the advantages of Cooperative Housing may be summed up as follows:

1. Lower building and financing costs, and therefore relatively low rents.
2. Greater security of tenure owing to the lower annual charges to be met and owing to the fact that, since the tenant has an investment in the undertaking, rental adjustments may be made to tide him over bad times.
3. The ability of the tenant to give up his lease at any time without the delay and risk of loss involved in a sale of property.
4. The smaller capital outlay and much smaller risk of capital loss.
5. The very real advantages of community planning and services in a protected neighborhood.

More than one group in this city is already planning to embark on housing projects organized on cooperative lines and it is understood that the Dominion Government regard this type of organization with favor. Once, therefore, the initial financing and organizational difficulties have been overcome, there is a good prospect that a movement based on a combination of self help and intelligent cooperation may get underway, which will ultimately revolutionize housing practice in this country.

National Administration of Housing

During recent years, progress in the housing field has been handicapped by the multitude of authorities responsible for the different administrative aspects of the problem.

The administration of the National Housing Act, together with house conversion work authorized by order-in-council, has been the responsibility of the Minister of Finance, Wartime Housing Limited is subordinate to the Minister of Reconstruction and Supply, the Veterans Land Act was administered by the Minister for Veterans Affairs, the Emergency Shelter Administration was controlled by Wartime Prices and Trade Board under the Minister of Finance, while the important health aspect of housing is in the care of the Minister of National Health.

Some simplification will be achieved by the administrative reorganization involving the creation of the Central Mortgage Housing Corporation, but the latter, as the constitution of its Board clearly indicates, is primarily concerned with the financial provisions of the Act and the broader social aspects of housing appear likely to become orphans of the administrative storm.

A more far-reaching reorganization is required. It is, in the first place, highly undesirable that the department which is responsible for initiating housing expenditures should also be responsible, in its financial capacity, for controlling those expenditures, since it is too much to expect even the most socially enlightened Minister of Finance to initiate a subsidized housing

programme involving considerable fresh expenditure of public money, when it is one of his principal functions to instil a spirit of economy into the other departments of Government.

It is suggested, therefore, that all housing matters be removed from the jurisdiction of the Finance Minister and that, either they be placed under the Minister of Reconstruction and Supply, or better, that a separate ministry be set up to take over all aspects of housing and community planning. The closely interrelated fields of housing and community planning are becoming an increasingly important factor in national affairs and the creation of a separate ministry to handle their administration would stimulate the orderly reconstruction and development of our urban and rural communities. It may be noted in this connection that the housing bill now before the U.S. Senate transfers the responsibility for all aspects of housing policy to a single authority, the National Housing Agency.

BUILDING AND OPERATING COSTS

Building costs in Vancouver should be exceptionally low. In normal times, building land is cheap, and with ample quantities of the principal building materials at our doorstep and an adequate supply of skilled labour, we, as a city, have little excuse for being poorly housed.

So long, however, as we continue to merely build individual houses to individual plans on individual lots for individual customers, we shall never produce any really low cost housing.

Building is still a small scale industry with small scale methods and the main reason for this is that demand itself is on a small scale.

The great majority of houses are still custom built and the ordinary contractor probably does not build on an average more than a dozen houses a year. Even in the multiple dwelling field, construction of the cheaper units has been on a small scale. Only 6.2% of Vancouver's apartments are in blocks containing more than 15 suites. With building on this scale there are few opportunities for production economies or scientific site planning.

One of the more encouraging features of low rental housing legislation is its insistence on large scale development. It is difficult to make any reliable estimate of the savings resulting from large scale production, but an estimate made by the Architectural Forum just before the war placed the saving on houses built in groups of from 50 to 250 at from 10% to 27% with a probable average saving of 18%.

An analysis of U.S. Housing Authority project costs up to 1941 showed that they were on an average 25% lower than comparable private building costs during the same period.

The economies of large scale production would not be confined to the actual building; large scale planning would mean substantial savings in land and utility services and also in operating costs.

Mass production and prefabrication involve standardization of plans, equipment, materials, etc. The suppression of architectural individuality, while accepted in the apartment house, is less readily accepted in the case of the individual house. In reality, however, the scope for pleasing architectural effects in a large scale group housing operation under proper architectural control, where a street or neighbourhood can be designed as a single whole, is very much greater than in the case of a monotonous row of closely packed individual houses with each house trying to look as different from its neighbour as the variety of pseudo-architectural styles permits.

Too much confidence, however, should not be placed in reductions in building costs as a possible solution of the housing problem, since capital charges constitute less than half the total operating cost figure. Thus a reduction in capital costs of as much as one-third would only reduce rents by 15%, which would still fail by a wide margin to bring them within the means of the lower income families.

Estimates for a low rental housing project sponsored by the Vancouver Housing Association shortly before the war placed the inclusive cost of a two-three bedroom attached house at under \$2,000, which, on a basis of the financing facilities then available, would have permitted rents of \$20 or less a month.

The Government recently estimated the rise in building costs over the country since the war began at between 40% and 50%. Reliable figures for the increase in building costs in Vancouver are not available. On the basis of standard wages rates and ceiling prices on standard materials the rise has been under 30%. Owing, however, to the reduced efficiency of labour, to costly delays due to supply bottlenecks, to wider profit margins, etc., the actual cost of building a house has risen by very considerable more than this percentage and it is very doubtful whether it would be possible today to build a similar house at less than 66% over prewar costs, or say, \$3,250. Recent 'Wartime Housing' costs have been running around \$3,600 per unit, but some reduction on these costs should be effected by the grouping of units.

The general trend of local building costs is revealed by the average value of residential building permits issued by the City of Vancouver for the last ten years

1936	\$2871	1941	\$2896
1937	2918	1942	2592
1938	2856	1943	2492
1939	2706	1944	3266
1940	2747	1945	3754

In considering these figures it should be remembered that in bad times a smaller and cheaper type of house will be built than in a period of prosperity and this will tend to exaggerate the actual rise or fall in costs. Owing to the tendency to under-estimate costs, the building permit figure will probably average at least 15% below actual final costs.

As materials come into greater supply and labour efficiency increases, builders will be able to quote closer figures, but this factor may well be counter balanced by further increases in building material prices as controls are relaxed and, except in the event of a sudden slump, no radical reductions in costs can be expected in the near future.

The economic rental of dwellings erected under the National Housing Act is defined as 12% of total capital cost, which would establish the rent of a house costing \$3500, including land, at \$35 a month. While very little factual evidence on the operating costs of such projects is available in this country, it is reasonably certain that the above ratio is over-generous and the following figures may serve as an alternative basis for calculation-

		Per Month
3% interest on \$3150 (90% of cost)	\$7.87	
40 year amortization do	4.18	\$12.05
Interest at 5% on equity of \$350		1.45
Municipal taxes		7.00
Insurance	.65	
Maintenance	5.00	
Management and overheads	2.25	
Vacancies, collection losses and contingencies	1.50	9.40
		\$29.90

These figures do not include water rates or heating. U. S. Housing Authority operating expenses, excluding taxes and financing charges, have averaged \$9.50 a month per unit.

When it is remembered that in 1941 63% of wage earner heads of families had a rent paying capacity of less than \$25 a month, it is clear from the above calculations that even with the aid of cheap government finance it is impossible at existing building costs to even consider the building of houses for rent to the lower paid worker without subsidy.

Suppose, on the other hand, that the wage earner happens to have the necessary capital and he seeks to build his own home; suppose further that he is lucky enough to get it built for \$4000 including land, and that he secures an actual 90% loan under the National Housing Act, his financing charges on a 20-year loan at 4½% would be \$22.69; if to this are added taxes, insurance, maintenance and interest on his own investment, the total carrying charges will amount to over \$35 a month.

The simple arithmetic of costs and incomes thus makes it painfully clear that so long as no attempt is made to bridge the gap between rents and capacity to pay, the lower income families will remain condemned to a life sentence of bad housing.

HOUSING SUBSIDIES

From the foregoing analysis of building costs and incomes it is clear that in the case of the lower income families there is a very considerable gap between economic rents and capacity to pay, which is likely to persist for many years to come and that if these families are to be decently housed some form of government subsidy is essential. Subsidies serve a secondary purpose. By enabling the really low income families to be rehoused, any risk of unfair competition between public and private enterprise is removed, since private enterprise never has, and, under existing conditions, never can hope to cater for this market. Foreign experience has shown that an annual subsidy extending over the period of the building loan is preferable to an outright capital grant, since the former is more flexible and can be adjusted to changing conditions. The question whether the Dominion Government should foot the whole subsidy bill or whether local government should also absorb a share is a vexed one.

The Dominion Government has considerably greater financial resources upon which to draw than the local governments and for this reason practical politics demand that it should shoulder a major portion of the burden.

There are however strong arguments for requiring some contribution from local government. Housing is a local problem and an income tax payer of Vancouver would feel a just grievance if called upon to pay an equal share of the cost with a Montreal taxpayer for the privilege of clearing Montreal's slums.

Furthermore any subsidised housing that is carried out will have to be administered either by the local government itself or by some authority operating under its supervision and it is undesirable on general grounds that such bodies should be placed in the irresponsible position of launching housing operations involving large sums of money, and from which they stand directly to benefit in taxes and reduced social costs, without having to meet any of the cost of such operations.

The strained position of the finances of the city and of the outlying municipalities is sufficiently well known and it will be recalled that low rental housing projects conceived before the war were held up for just this reason, that partial tax exemption was a condition of Dominion Government assistance.

The following solution of the difficulty is suggested: That the Dominion subsidy be made conditional on either the municipality or the Province contributing a proportionate amount. In this event, if the municipal taxation system as fixed by Provincial law were so devised that no surplus could be made available for housing expenditures, then the responsibility for such expenditures would fall by default upon the Province itself.

The actual level of subsidy will naturally depend on conditions prevailing at the time, but it is suggested that a subsidy sufficient to bring rents down to \$20 or under, inclusive of local taxes, should be made available in the first instance. Houses renting at this level would satisfy the requirements of a large number of families who are at present unsatisfactorily housed.

As costs come down, lower and lower income levels would be reached and when the immediate house shortage had been met, a comprehensive attack could be launched on the more costly task of slum clearance. By a progressive programme along these lines a maximum amount of good would be accomplished at a minimum cost to the taxpayer.

Supposing a subsidy as high as \$10 per month per dwelling was necessary and the municipality was required to pay 25% of the cost, the annual charge to the municipality on 5000 low rental houses would be \$150,000 a year, or .7 of a mill on a total net tax rate of 50.4 mills. Against this, taxes on property values so created would amount to some \$400,000 a year, of which under one-third would be absorbed by expenditures on road and sewer services, etc. for the houses. When account is taken of the great savings in social costs which would ultimately derive from the good housing provided, it is clear that there would be a considerable net gain to the local taxpayer from such a programme.

The cost of the Dominion subsidy on a nation wide programme of equivalent scale (140,000 units) would be approximately one dollar per head per annum.

Subsidies for Slum Clearance

The 1944 Act makes provision for grants from the Dominion Government to municipalities to facilitate the redevelopment of slums and blighted areas for low or moderate rental housing projects.

Such subsidies are worse than useless if no provision is made for the rehousing of the tenants of the buildings, which are demolished, in dwellings, either on the site or elsewhere, at rents not in excess of those they are at present paying.

If slums are cleared and the housing which replaces them is not within the means of the persons displaced, the occupants are actually worse off than before, since the supply of low rental housing is further reduced and they are forced to crowd into that which remains at rents forced higher by result of the added shortage.

Existing legislation provides no means which would bring new housing within the rent range of the slum dweller. The slum clearance provisions of the Act will therefore remain inoperative or be exercised in such a manner that the plight of the very people, whom the Act is designed to serve, is further aggravated.

Tax Exemption

When local government subsidies for housing are made, it is preferable for psychological reasons that they should, where possible, be made in the form of a direct cash grant, which is plain for everybody to see, rather than through partial tax exemption which arouses suspicions of discrimination.

It is worth while however, to try to clear up some of the misconceptions associated with the principle of tax exemption. To take a concrete example, if taxes were limited to 1% of the total cost of the project, as required under the 1938 Act, where land represents 10% of this cost, approximately 36% of the normal taxes would still be levied against such projects. Figures worked out for a specific project show that this amount would be considerably more than sufficient to cover the cost to the City of providing all the necessary utilities for the project. Whereas, if no Dominion assistance was forthcoming, the houses would certainly not be built at all and there would be no values to tax.

The cost of schools and other social services cannot correctly be taken into account, since these services are already being provided for the families which would be housed in such projects, and the mere fact of their transfer from insanitary houses into decent accommodation will not affect the cost of providing these services. Moreover the taxes at present being paid by families who would be housed in such projects are in all probability less than the taxes they would be required to pay when they move into new houses, even if partial tax exemption were granted. In certain slum clearance areas in the United States, it was found that the average monthly tax amounted to 81 cents per room, whereas if the occupants of these areas had been moved into new housing projects paying full taxes, their taxes would have risen by four times to \$3.45 per room. Taxes, no matter how they are levied, are in the final analysis paid by persons, not buildings, and if the ability to pay does not exist in the first instance, the mere act of shifting families from shacks or rooming houses assessed at low values into new houses will not increase their ability to pay the much higher taxes levied against these houses.

It is often argued that it is unfair that one man should have to pay full taxes on his house, while the house next door only pays part taxes. The position is actually no different from the man on relief who receives a shelter allowance, whereas his neighbour who has a job receives nothing; with this exception, that in the case of the shelter allowance, money is poured out unproductively and very poor value received for it, while under a subsidized housing programme, the money is used constructively and an attack is at the same time made on one of the root causes of the problem, namely, unemployment.

The Burden of Local Taxation.

Including water rates, 84% of the City's revenue in 1944 was derived from property taxes. The increasing burden of municipal taxation borne by real estate is an important contributing cause in the deterioration of housing conditions.

In the first place, by raising the cost of housing, it forces an increasing proportion of the population below the margin of decent housing, since property taxes bear no relation to ability to pay. Secondly, being calculated on capital values without regard to the revenue derivable from the property the taxes on many properties absorb so large a proportion of the revenue that the balance is insufficient to take care of necessary repairs. The dilapidated condition of many houses in Vancouver to-day is directly attributable to this maladjustment between real estate income and taxes.

In addition to narrowing the total market for housing by raising its cost to the consumer, taxation, or the fear of further increases in taxation, acts as a serious deterrent to new building. Too often in the past, such increases have upset the calculations of the home builder with the result that real estate has acquired an unenviable reputation as an investment.

There appear, in short, to be strong arguments for revising the whole system of local taxation. The burden of schools and social services in particular, should be removed from real estate. These services unlike streets and sewers, in no way benefit the owner of land and it seems logical that they should be provided out of Income Tax, the incidence of which bears some relation to the taxpayers' ability to pay. It is gratifying to note that a first step in this direction has recently been taken by the Provincial Government.

There is little question that if the existing burden on real estate was lightened, building would receive a tremendous fillip, owners would increase their expenditures on repairs and the whole housing situation would be vastly improved.

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THE RELIEF TENANT

In May, 1939, there were over 4,900 families receiving shelter allowances from the City, or roughly 8% of the total family population. In addition, there were 2,406 single men and women receiving relief, excluding the large number of homeless men handled directly by the Province. The cost of these allowances for one month was over \$50,000.00, equivalent to \$600,000.00 a year. This expenditure represents a very large sum of money, for which the City and Province received extremely poor value. Put quite bluntly, the housing of relief tenants was, even before the war, a public disgrace. With every sound house in the low rental class occupied, the relief tenant is forced to accept any available accommodation, no matter how bad it may be.

There is no canon of social justice which demands that, because the father happens to be out of work, the wife and children should be compelled to live under conditions which endanger their health and render a happy family life impossible. And it must be remembered that it is the woman and the children who spend most of their lives at home and who suffer most from bad housing.

It is moreover the family with young children who are usually the worst housed, since they seldom have any margin out of which to meet the additional rent necessary to secure a house to themselves, and the better type of rooming houses usually object to children. As a result, one finds them crowding into cabins, basements, waterfront shacks and the poorest types of lodging house.

A particularly disquieting feature of the situation was the extent to which, in order to obtain accommodation which was at all habitable, relief tenants were supplementing shelter allowances with payments from their food allowances. No accurate data is available as to the extent of this practice, but it is significant that, while the maximum family shelter allowance for unfurnished accommodation is \$8.00 a month, only 10% out of 168 rented houses surveyed in the East End (where the proportion of relief tenants is known to be very high) paid less than \$10.00 a month in rent. Out of 12 cases of relief families (without lodgers) for which details were available, it was found that two-thirds of them paid an average of 50% more in rent than they were receiving in shelter allowances. As the food allowances are admittedly not over generous, this can mean only one thing, that the housing shortage is not only forcing relief recipients to live in bad conditions, but is indirectly causing them to go short of food.

Ill-housed, ill-fed, without nursery schools or playgrounds, what chance have the children in such families of growing up into healthy citizens?

If the present shelter allowances fail to provide decent accommodation for the tenant, they fail no less to provide a reasonable return to the owner or rooming house keeper, unless he permits his house to be overcrowded. Shelter allowances per month for unfurnished accommodation are as follows: one person, \$3.00; two persons, \$5.00; three persons, \$6.00; four to five persons, \$7.50; six persons and up, \$8.00. It is true that many of the houses occupied by relief tenants are not even worth the relief rent, but it is equally true that it is not possible to keep a house in good repair, pay the taxes and receive a reasonable return on one's investment out of the existing scale of relief rents. If the shelter allowance is insufficient to allow the landlord to set aside reasonable sums for repairs, housing conditions will deteriorate still further. There is therefore a doubly strong case for raising the scale of shelter allowances.

It would be a mistake to believe, however, that by merely raising the shelter allowance, the condition of the relief tenant will be automatically improved. If shelter allowances were raised and there was no increase in the supply of low rental housing, it would simply mean that certain property owners would receive an increased revenue while the tenants' position would remain unchanged.

It has already been suggested that the City gets very poor value for the money expended on shelter allowances: what is more, these payments are of an entirely unproductive character and it is reasonable to ask, now that unemployment is again on the increase, whether, instead of pouring out large sums of money in this manner, it would not be truer economy when activity slackens to spend a little more in subsidizing the construction of decent homes which would constitute a permanent revenue producing asset for the community and at the same time provide employment. It is clear that today with high building costs and no subsidies it is impossible to build directly for the relief tenant even if this was desirable, but

any increase in the volume of low rental housing will ease the pressure on the cheapest housing and indirectly better his lot.

If, moreover, a public housing authority is created, it will, in due course, acquire a pool of older dwellings, either through the acquisition and renovation of existing dwellings, or through the aging of its own houses, in which relief tenants can be decently housed at rentals conforming to the shelter allowance, with or without the assistance of subsidies operated on a rent rebate system.

MANAGEMENT

Management is the key factor in low rental housing.

The best buildings can be quickly reduced to a slum condition if management is lax; conversely, as the field survey of poorer areas showed, even tenements in bad structural condition can be made livable if the management is energetic and intelligent. Management in low rental housing is much more than the mere collection of rents and supervision of repairs. It involves also a large range of social and educational work.

In England great advances have been made in recent years in the management of public housing estates and the profession of estate management has achieved a recognized status in the local government civil services. Trained women property managers, owing to their special ability to establish friendly contact with the housewife who runs the home, have been particularly successful in this work.. The manager who possesses tact and sympathy becomes a friend and adviser as well as a rent collector, and can do much to help the family to adjust itself to its new surroundings.

The "coals in the bath" myth dies hard and the theory that people live in slums because they like it, and would simply make a slum of any new dwelling into which they were moved, is used as a facile excuse for taking no action to better their condition.

Fortunately we now have figures based on a wide range of English experience to refute this argument. In an English municipal housing estate containing some 27,000 dwellings, it was found that "about 80% of the tenants were of good standard, about 15% were less cleanly in their habits, and only about 5% required continuous supervision in one way or another."

It must be remembered, moreover, that these figures, which are closely confirmed by the experience of other estate managers, relate very largely to families who have been living in slum conditions for a long period. Here in Vancouver, where the population has not been subjected to such conditions, and where, as the field survey showed, the standard of cleanliness among the poorly housed groups is relatively high, little difficulty should be experienced in persuading the tenants to conform to the requirements of the management, always provided the management is itself of a high order.

The fear is commonly expressed that in a public housing scheme, great difficulty would be experienced in collecting rents or evicting tenants owing to the mental attitude of the average tenant to a municipal landlord. Here again, the solution to the problem lies in the quality of the management. Firm but tactful management will secure efficient rent collection, whoever the landlord may be.

In England, losses on municipal estates through vacancies and uncollectable rents, where trained managers are employed, seldom exceed 1% of the gross rents. Provision for uncollectable rents on 70,000 dwellings owned by the London County Council amounted in a recent year to as little as .116% of net rents.

Good management, through a system of frequent inspections designed to reveal structural and other defects in the property at an early stage, will also save large sums in repair bills and depreciation.

HOUSING DEMAND AND SUPPLY

Housing demand is of two kinds; the economic demand which determines the actual volume of building at any given time; and the potential or latent demand which would manifest itself if every family could command the accommodation necessary to house itself decently.

A housing report would not be complete without some estimate of the size of this unsatisfied demand, but owing to the inadequacy of the available statistics, any such estimate can only be very approximate. It is generally agreed that the only acceptable standard of housing accommodation is one family, one self contained dwelling. Adopting this standard, the shortage of houses in the City of Vancouver may be calculated as follows:

Number of Households (separate housekeeping communities) at 1941 census	80,826	
Less: Households consisting of one person, who are assumed not to require a separate dwelling	9,670	
		71,156
Estimated increase in (family) population between 1941 and 1945 (based on ration cards), divided by the average size of family in 1941, plus an allowance for the non-family increase of population	19,400	
		90,556
Number of separate dwelling units at December 31, 1945 (estimated from Post Office records)	74,000	
Less: Allowance for normal vacancies and for houses unfit for occupation, say 5%	3,700	70,300
Estimated shortage of dwellings		20,256

This is a conservative estimate since (1) some households would still be overcrowded even after the unscrambling of doubled up families; (2) a number of single persons require separate dwelling units; (3) no account has been taken of single lodgers in rooming houses not run by a family; (4) some households would split into two or more housekeeping units if they had an opportunity to do so; (5) a proportion of the dwelling units included in the figure of available accommodation are not self-contained.

The above figure is confirmed by a recent estimate of the emergency shelter administration placing the backlog of housing which has accumulated since 1932 at over 22,000 units.

In estimating housing requirements, the fact is often overlooked that owing to the steady decrease in the average size of the family unit, the number of families has been increasing at a much more rapid rate than the population as a whole. This is a very important factor, since the unit of housing is the family, not the individual.

The average size of the census household in Vancouver dropped from 4.2 persons in 1921, to 3.7 persons in 1931 and 3.2 persons in 1941, a decline of 24% in 20 years, involving a corresponding increase in the demand for separate dwellings amounting to more than 1,000 units per year, over and above that arising from the increase of the population as a whole.

Some relief from the pressure on accommodation may be expected to result temporarily from the exodus of men who have been unable to find jobs in the city this winter. As against this, it is estimated that some 7,000 more men intending to reside in the City of Vancouver will be demobilized between January 1, 1946 and May 31, 1946, of whom a fair proportion will be married. In addition some 2,000 European brides will arrive to swell the total of families requiring accommodation.

It would be inadvisable, moreover, to expect that a reversal of war-time trends of population will materialize to ease the housing situation in Vancouver. A report issued by the Department of Labour, Ottawa, in December 1945 makes the following predictions:

"Probably these population shifts will not be reversed. A greater percentage of the population will, in the post-war period, seek wage-earning employment than was the case in 1939. Of those who have migrated across provincial boundaries only a few are likely to return to their former homes. Probably their numbers will be swollen by ex-servicemen seeking residence in an area other than that in which they enlisted. Such movements are part and parcel of a continuous trend toward urbanization. The war has speeded a process that has been under way for decades."

"Analysis of the post-war expectations regarding residence shows that Ontario and British Columbia will receive an influx of (civilian) population, while the other seven provinces will lose."

The city birthrate for the three years ended 1945 was 19.2 per 1,000, compared with 15.4 for the three years ended 1938. It is too early yet to say whether this reversal of trend is more than a temporary one, but it is a factor which must be taken into account in estimating future housing requirements.

If it is assumed, however, that the rate of population increase during the next few years is only as great as that during the years immediately prior to the war, namely 5,000 a year, and that the average size of family remains constant, some 1,500 dwelling units will be required each year to take care of normal growth.

To liquidate the existing backlog of housing over a period of 10 years will require 2,000 houses a year, making a total annual requirement of 3,500 houses. This figure takes no account of the obsolescence of existing houses and applies to the City of Vancouver alone.

While the proportion of obsolete and overcrowded houses is lower in the outlying municipalities, the latter are growing twice as fast as the City proper. Assuming, therefore, that the overall requirements of the former are only proportionate in terms of present populations to those of the city, a further 1,000 houses a year will be required to meet their need, making a grand total of some 4,500 houses a year for the metropolitan area.

Of this output, at least one-third should be low rental housing and a further third within the means of the medium income group.

Compare these figures with the actual production of houses in the City of Vancouver during the last twelve years:

Year	No. of Houses Built	Estimated Increase in No. of Households *	Deficiency of Dwellings
1934	190	1,170	980
1935	285	1,900	1,615
1936	559	2,610	2,051
1937	862	2,900	2,038
1938	1,197	2,170	973
1939	1,042	2,660	1,618
1940	1,552	1,900	448
1941	2,130	1,920	210 (surplus)
1942	1,028	4,130	3,002
1943	1,042	3,410	2,368
1944	2,487	3,820	1,333
1945	2,687	7,650	4,963
	15,061	36,240	21,179

(*Based on increase in population and decrease in average size of family during the period. For purposes of calculation, it has been assumed that the progressive reduction in the size of the family was uniform up to 1941 and that after that date, owing to the rise in the birthrate, it became stationary.)

Figures for the number of apartments built during this period are not available, but they total under 10% of the number of houses built. Except in the year 1944, when the N.H.A. converted a number of houses into some 500 suites, conversions and demolitions probably cancel out.

It will be noted that only in one year did production of new houses approximate to the increase in the number of households and that even before the war, we were not providing sufficient houses to take care of the normal increase in family units, let alone the backlog from previous years, or the obsolescence of existing housing.

It will be noted further that, after taking apartment house construction into account, the backlog accumulated over the last dozen years compares closely with the admittedly very conservative estimate of the total shortage of accommodation at the present time.

There is little question that the building trade, if it were assured of a stable market, could handle the volume of construction envisaged by the latent demand which these figures reveal and there is hardly a section of the community which would not benefit directly or indirectly from the steady volume of employment created and the rise in living standards which would result.

But this demand can only be made an effective demand if an entirely new approach is made to the housing problem and low cost housing is raised to the level of a public utility, with the attendant economies resulting from a long term programme, large scale production and cheap finance.

HOUSING AND EMPLOYMENT

The report of the National Employment Commission published in 1938 and the Curtis Report of 1944 both emphasized the value of a low rental programme as a measure for creating employment. Approximate figures of unemployment among building trade mechanics for Greater Vancouver during the pre-war years as estimated by the Building Trades Council were as follows:

1934	70%
1935	70%
1936	60%
1937	50%
1938	40%
1939 (first half)	50%

So long as the market for new houses is confined to the wealthier third of the population, the building trade will remain a luxury industry subject to the violent booms and slumps usually associated with such industries. There could be no more constructive step in the attack on the unemployment problem than the planning of a long range housing programme which would not only increase the total volume of work, but would help to iron out the wide fluctuations in employment characteristic of this trade.

Governments are continually trying to devise public works programmes which will create more employment; low rental housing is by far the most constructive form of public works, since, unlike most other works of this character, it is revenue producing, not merely in health and happiness but in dollars and cents as well. Public housing, in fact, produces the greatest amount of employment at the smallest cost to the taxpayer. A dollar spent on roads or schools results directly in the production of one dollar's worth of industrial activity. A dollar spent on housing subsidies would produce about forty dollarsworth of new construction.

Owing to the wide ramifications of the building industry and its special position as a capital goods industry, activity in this industry has also an important stimulating influence on business as a whole, and will often be sufficient in itself to develop a general business boom.

The English building boom was undoubtedly a primary factor in lifting that country out of the 1932 depression, and it is instructive to compare her trade experience with that of the United States during the same period, where, owing to the freezing up of the real estate market and the absence of a government assisted programme, building was almost at a standstill.

It is sometimes suggested that a government assisted housing programme might check private building. If, however, the tenants of such housing are confined to families of low income who are not in a position to buy their own homes, there is no ground for this fear. In England, a large government assisted programme proceeded contemporaneously with the greatest private building boom in her history. In the United States on the other hand, where, up till the last two years prior to the war, there was little or no government building, private building was also at a low ebb.

A government assisted programme, by raising the standards of housing among the lower paid workers, appears on the contrary to stimulate a general demand for higher housing standards, which expresses itself in greater private building activity.

PUBLIC VS. PRIVATE ENTERPRISE

Clear thinking on the best methods of securing good housing for the community has too frequently been obscured by political prejudice. Public housing is apt to be tagged with the label of socialism and condemned out of hand without a fair examination of its merits or demerits.

In England, public housing has long been accepted in principle by all parties and has ceased to be a political issue. The United States has accepted the same principle, if more grudgingly.

Fears that private building would be adversely affected by a public housing programme has been a principal cause of opposition. It is clear, however, that if rents of public housing are subsidized sufficiently to bring them within the means of the low income families who cannot, even under the most favourable circumstances, afford new housing built by private enterprise, and if care is taken to see that only such families are rehoused, there can be no competition between public and private housing, since they cater to two separate and distinct markets. They are, in fact, complementary to one another.

It is often overlooked, moreover, that public housing authorities employ private enterprise to build their houses for them and that there is no difference whatsoever in the labour-management setup on the job between public and private housing. A public housing authority merely draws up the housing programme, engages an architect to prepare the plans and lets the contracts; but through its capacity to plan on a long-term basis and through its ability to convert a potential demand for houses into an effective demand, it helps both to stabilize and expand the general building market.

THE TYPE OF DWELLING

The majority of housing experts are agreed that for the family with young children (and it is this group who stand most in need of better housing) the house with a private garden and direct access to the open air is the most suitable form of housing. In England and Holland, this is the normal housing type. In other parts of Europe, the apartment house predominates and many fine low rental multi-family housing projects have been developed in Berlin, Stockholm, Vienna, Frankfurt and elsewhere. The adoption of the apartment house type of dwelling in these countries appears, however, to have been largely due to historical reasons (the necessity in mediaeval times of living in a confined fortified space), and recently there has been a tendency to break away from this tradition.

In Vancouver, where limitations of space are not an important factor, and the climate permits full use to be made of a garden, the advantages of the house over the apartment are very great. Further, owing to the fact that buildings of three or more storeys in height must be of fire proof construction, the one or two-storey house will normally be cheaper to construct than the apartment. Operating costs will also be lower owing to the extra cost of maintaining the public spaces, i.e. halls, stairways, grounds, etc., associated with apartments.

The economies of central heating and hot water normally constitute the principal advantage of the apartment house, but, owing to the necessity of keeping fixed charges payable by the tenant down to a minimum in low rental projects, it will probably be advisable in this climate to provide individual heating units, which the tenant can control as he wishes.

For certain groups, however, the apartment will be a more suitable type of dwelling and building should not be confined to one type of dwelling.

The free standing house is not, however, an economical unit for low rental housing. Attached houses in groups of 2, 4 or more, preserve nearly all the advantages of the individual house as regards private front door and garden space, etc. and at the same time afford considerable economies in capital, maintenance and heating costs. The grouping of houses also cuts down the cost of utilities, enables a proportion of the land to be reserved for communal uses, and provides much greater opportunities for positive architectural treatment.

Nearly all the best low rental housing in England, Holland and the United States has been of this type and while there is an undoubted prejudice against such housing in Western Canada, it is suggested that the attached house should be given an adequate trial in any housing programme which may be initiated.

As regards the size of the houses, the biggest demand will be for the two and three-bedroom house, but it is important that an adequate variety of accommodation be provided in each housing estate. A recent survey of the needs of some 4000 families listed with the Emergency Shelter Administration showed the following room requirements:

1 bedroom	30%
2 bedrooms	45%
3 bedrooms	20%
4 bedrooms and over	5%

In practise, however, it would be wiser to build somewhat in excess of average room requirements, since greater flexibility of accommodation is thus obtained and the extra cost of a second or third bedroom is small in relation to the total cost of the house. The rise in the birthrate will also bring an increase in family sizes.

Particular attention should be paid to the needs of old people who, owing to increased longevity and to their low incomes, constitute a growing proportion of the family units requiring low rent housing. In certain English municipal schemes as many as 30% of the dwelling units have been set aside for old people.

THE LOCATION OF HOUSING PROJECTS

Slum Clearance

Many people would favour a low rental housing programme if they thought that the more dilapidated sections of the city would be immediately razed and new dwellings erected on the site.

Unfortunately, in the initial stages of a housing programme, this procedure is rarely possible except on a limited scale, and it may be noted that England had been building houses on a large scale for ten years or more before she seriously attempted to tackle slum clearance.

If the existing shortage of houses is to be reduced and accommodation found for those at present living in insanitary dwellings, some new building on vacant land must first take place. There are moreover, in Vancouver few solid areas of slum which are suitable for demolition and redevelopment as a whole.

There are only two areas which can be classified as slum areas suitable for complete clearance: (a) the area between Main and Dunlevy Streets south of Hastings Street, containing some 10 city blocks; and (b) about half a dozen blocks in the Kitsilano industrial district bordering on Second Avenue. Both these areas are more suitable for business or industrial uses than for residential development and cannot therefore be regarded as possible rebuilding sites.

The most suitable site for a large scale redevelopment project is the area bounded by Dunlevy, Hastings and Raymur Streets and the False Creek flats. This site is centrally located in relation to the dock area and the downtown district; it is served by a fine park area immediately to the south, and it is at present virtually uncontaminated by industrial intrusions. Practically all the houses in the area are old and flimsy and none of them are worth preserving. On the other hand, the district includes a large school and a number of modern community buildings ready to serve the population.

Immediate steps should be taken by the City, firstly, to preserve the area from industrial intrusion by rezoning it for residential use; secondly, to acquire by negotiation or appropriation the land which will be needed for the project as opportunity occurs, so that when the time is ripe for redevelopment, the community will not be forced to pay exorbitant prices for slum properties.

Land for Housing

In order to obtain the economies associated with large scale production and management, it is desirable that low rental housing projects should be built in blocks of 100 units or more. Building on this scale will also permit more imaginative planning of the site than the wasteful grid-iron pattern prevalent on this continent today, and will eliminate much of the danger of future neighbourhood "blight".

Large scale housing presupposes the existence of suitable areas of vacant land which can readily be assembled under one ownership. Sporadic development in the past has already rendered large areas in the outer districts useless for such purposes and it is a difficult matter even today to find blocks of land suitable for low rental housing within a reasonable distance of the city centre. Future housing progress will be closely affected by the policy, or lack of policy, of the municipalities with regard to undeveloped land in the outer areas.

The ownership by the City of large blocks of tax sale land, yielding no income, is usually regarded as a source of weakness.

European experience shows however that the ownership of substantial blocks of land in the outlying districts may be a very real advantage to a city through the opportunity it affords of controlling land utilization and in providing cheap sites for low rent housing.

Since 1904 the land acquisitions of the City of Stockholm, mainly for housing purposes, have amounted to over 20,000 acres, or five times the area of the original city. Stockholm has been conspicuously successful in dealing with her housing and town planning problems and her far-sighted land policy has undoubtedly contributed in no small degree to this success.

The difficulty of securing suitable areas of land at a reasonable price has been one of the chief hindrances to housing progress in England. Manchester, on the other hand, adopted the wise policy of acquiring over 5,000 acres for its Wythenshawe scheme at agricultural prices, thus effecting an estimated saving of \$5,000,000 as against the price it would have had to pay if it had bought the land piecemeal as the need arose.

In America, owing to the reliance of cities for their income on the taxation of land values, a contrary policy has generally been pursued.

Every piece of saleable land has been sold, even when it must have been evident at the time that some of the land sold would be required at a later date for public purposes, with the result that it has later either been unobtainable or has had to be repurchased at a much enhanced figure.

The bulk of the Vancouver City owned land is unfortunately in scattered lots. The City have wisely adopted the policy of reserving from sale those lots which may be required at a later date for parks or other purposes. It is understood also that where an owner wishes to build on a lot which is not provided with city services, the City encourages the owner to exchange his lot for a city lot which has the necessary services.

This procedure might well be carried a step further and it is suggested that where the City already owns the bulk of the lots in a given area, it take positive action to acquire the balance of the privately owned lots in exchange for isolated city lots in other sections of the City. By this means, sporadic development of the area would be prevented and compact areas of land would be acquired which could be developed for low rental housing or for other purposes as the need arose.

Even if these measures are taken, the sponsors of large scale housing projects will soon have to look beyond the city boundaries for suitable sites. This report is not the place for a disquisition on local politics, but regarded purely from the housing and townplanning point of view, there are many arguments in favor of the amalgamation of outlying municipalities with the City.

If inter-municipal competition for taxable values was eliminated, new areas could be opened up in an orderly manner as, and only as, the growth of population required. A uniform standard of public utilities could be provided and large scale public housing planned on a comprehensive metropolitan basis.

COMMUNITY PLANNING

Reference has already been made to the need for a revision of the City zoning regulations, more particularly those governing housing densities and the spacing of building. It is equally important that these regulations, once enacted, should be properly enforced. In too many instances recently, the City Council, acting on the advice of its salaried officials, has overruled decisions of the Town Planning Commission without advancing any sound reasons for doing so. Members of the Town Planning Commission are appointed by the Council for their special knowledge of townplanning and, if the Commission is to do effective work, it must have the confidence of the Council, who should feel themselves bound by its decisions in all cases except those involving major matters of civic policy.

Over and above this, the zoning Appeal Board, by granting numerous relaxations of existing regulations, is gradually undermining the whole fabric of the town plan, since if a relaxation is granted in one case, it is very difficult to refuse it in another similar case and a feeling of uncertainty is generated amongst property owners throughout the whole area affected. Since 1940 over 90% of all appeals pressed have been allowed.

Temporary relaxations of building and zoning bylaws may admittedly be necessary to mitigate the shortage of residential and commercial accommodation, but it should be clearly understood that these relaxations are **not to be regarded as permanent**, while the powers of the Board to grant such exemptions should be clearly defined and limited.

There appear, in any case, to be good grounds for revising the constitution of the Appeal Board, since the appointment of members appears at present to be for life, and the decisions of the Board may well be out of line with opinion, both in the City Council and the Town Planning Commission, without the Council possessing any means of enforcing its will.

Other elements in the community plan, in addition to the zoning bylaws, are equally important in the development of a well housed community and close co-operation between the Local Housing Authority and the Town Planning Authority is essential.

The Location of Industry

The location of industry has an important bearing on housing developments. Industrial congestion inevitably spells housing congestion, since the lower paid worker must live within a reasonable distance of his work. In London, where the maladjustment between homes and work places has reached crazy proportions, the chief difficulty in rehousing the slum dweller is to find building sites within a reasonable distance of his source of employment.

The location of industry in or near the centre of the city is an anachronism, a relic of a previous epoch when the sources of power and the means of transportation were necessarily concentrated at a few points. With the advent of electric power and motor transportation, industry has become mobile and, except where it is dependant on water transportation or other special conditions, can often move out with advantage to industrial sub-centres, where it has adequate room for expansion and where the worker can be well and cheaply housed in semi-rural conditions. The elimination of the factory relieves the city centre of industrial traffic and the nuisances associated with industry, and at the same time reduces the number of workers pouring in and out of the congested central sections of the city each day.

It is not sufficient, however, to control the location of industry through zoning regulations of a negative character, designed primarily to exclude industry from residential areas. Positive action must be taken through the provision of the necessary industrial facilities to ensure that new industries are encouraged to locate in suitably grouped sub-centres instead of sprawling sporadically over the countryside. Planning of this sort should over-ride political subdivisions and it is hoped that when a metropolitan planning commission, composed of representatives of all the municipalities within the metropolitan area, is set up, due consideration will be given to this important question.

Industrial Encroachment

In spite of existing zoning bylaws, the threat of industrial encroachment to those residential areas immediately bordering on industrial zones is seriously affecting the quality of upkeep and occupation of the dwellings in these districts, since the policy of granting piecemeal changes in zoning classifications on the appeal of interested property owners inevitably produces a blighting effect on neighbouring properties.

Existing zone boundaries should be carefully studied, and amended where necessary, in such a manner as to produce clear cut lines of demarcation between industrial and residential zones. These boundaries should, wherever possible, serve as screens between the two zones, by the interpolation of a commercial zone, by boulevarding, or by the creation of an actual park area (as, for example, to the North and South of the False Creek Flats). Once these boundaries are fixed, property owners should be given clearly to understand that no further piecemeal revisions will be made.

It may be objected that by imposing these limitations on industrial spread the growth of industry will be handicapped, but, as has already been pointed out, once an industry has reached a certain size it is eminently desirable that it should move out to a less congested area, while for the smaller shop industries there is ample room for expansion in existing industrial zones, provided steps are taken to make the land in these zones readily available to industry through clearance and grouping of non-industrial lots. Of the total city area zoned for light industry, comprising 871 acres, no less than 50% is vacant land, while 27% is occupied by dwellings or public buildings, leaving only 23% in actual use for industrial or commercial purposes.

As soon as housing conditions permit, energetic steps should be taken by the City to secure the demolition of all substandard housing in areas zoned for industry. Arrangements might also be made to move houses in such zones which are still in good condition to vacant city owned lots in neighbouring residential zones. In this way, the double purpose would be served of removing families from a highly undesirable environment and of opening up additional land for industrial development.

The Premature Subdivision of Land

Mention has already been made of the scattered development of the outlying areas of the City.

\$40,000,000, or over 60% of the City's debenture debt, represents expenditure on roads, sewers, sidewalks, water services, etc. Too much of this expenditure has been incurred in servicing areas which were subdivided in advance of need and in respect of which there was no certainty that the value of the improvements would be sufficient to ensure the recovery by the City of the cost of the services installed.

In "A Plan for the City of Vancouver" published in 1928, Harland Bartholomew made the following statement: "Were it not for the probable early development of a large city over this area, this tremendous spread of utility services would be quite unjustified and even now represents a heavy charge upon a vast area as yet but sparsely developed."

Unfortunately the rapid development anticipated in this report failed to materialize.

At October, 1938, lots owned by the City, excluding those reserved for public purposes or for lack of services, numbered 10,428, and of these no fewer than 7,524, or 72%, were serviced with roads and water. Many of these lots were also no doubt provided with sewers. In November, 1938, a further 9284 lots reverted to the City making a total of 19,712 unreserved lots on the City's hands, or sufficient to satisfy normal building requirements for at least 10 years in advance, without taking into account the still greater number of vacant privately owned lots which had been provided with municipal services at the public expense.

The burden of this unprofitable expenditure falls on the general body of ratepayers, while at the same time the value of their own holdings is depreciated by the premature development of new residential areas.

The situation is, today, much more favourable, the number of unreserved City lots having been reduced by the end of 1945 to 6441, but the risk of wasteful development in the future remains.

In England, the offer of street dedications is accepted by the municipality only after the installation of certain statutory street improvements by, and at the expense of, the subdivider and after the erection of houses on the adjoining land has virtually assured the recovery of additional expenditures by the municipality. The same practice has been adopted in Cincinnati with excellent results and its application to this city appears worthy of consideration. So long as the municipalities are under an implied obligation to provide services to owners wishing to subdivide their land, there will always be the danger that when a building boom develops the pressure brought to bear to open up new areas for the benefit of land speculators will force the authorities into providing a fresh crop of superfluous roads and other services.

The control of development in the outer municipalities is even more important, since growth in these areas is now twice as rapid as within the City itself. Excessive "sprawl" on the outer fringe of a city is not only wasteful in terms of municipal services; it is equally detrimental from many other points of view. Open, unspoilt country is pushed further and further from the city centre, large areas of land are irretrievably spoiled for orderly residential development at a later date, and with new areas constantly being opened up, the life of the older residential districts is correspondingly shortened.

The preparation of a co-ordinated plan of development for the whole metropolitan area, which would introduce some order into our present planless development, is a vital requirement for the future well-being of the City.

Parks

Half the benefits of good housing are lost if it is not associated with proper provision for local parks and it may be noted that the correlation of low park acreage and high delinquency rates in different districts of the City is very high, irrespective of the quality of the housing itself.

There is a very serious lack of play parks in the densely populated central districts where they are most needed. The West End, Fairview, Grandview and Mount Pleasant all require additional park areas. It is already a difficult matter to find suitable park sites in these areas; as the city grows and land values rise, this difficulty will increase. Every effort should therefore be made to secure the necessary sites with a minimum of delay.

A Metropolitan Planning Commission

As has already been noted, Greater Vancouver is a single social and economic unit and it is poor planning to prepare a townplan for one section of its territory without reference to the development of the other sections. The City proper comprises less than one-fifth of the whole metropolitan area and growth in the outer areas is twice as rapid as at the centre.

Development in the outlying districts vitally affects the wellbeing of the City itself, not least in respect of suburban housing, and it is a matter of urgency that a Metropolitan Planning Commission be set up to prepare a master Plan for the whole region, which would tie in the plans of all the municipalities and encourage planning measures in those districts where no effective plan at present exists.

The Province has a direct interest in securing closer coordination of municipal activities and might well take the lead in setting up a commission, representative of the various municipalities and served by a qualified planning expert.

A HOUSING PROGRAMME

Progress since the war in the construction of low rental housing has been extremely disappointing. Up to the end of 1945, not a single limited dividend project had been launched in the whole of Canada. A number of insurance company projects are in the plans stage, but it appears unlikely in the extreme that any of them will come within the low or even low-medium rental class. In Vancouver, Housing Enterprises Ltd., a limited dividend subsidiary of the insurance companies, is planning to build some 500 two storey apartment or terrace units this summer in scattered groups on serviced land. No rents have yet been announced.

One or two cooperative housing projects are under consideration, but owing to financial obstacles, they are still some way from fulfilment. Wartime Housing Ltd., has alone provided any substantial volume of low-medium rental housing and even this housing is beyond the means of a large proportion of the population.

This lack of progress can only be ascribed in part to the shortage of building materials and labor. The chief blame must fall on the Dominion Government for its failure to evolve a workable housing policy or to pass legislation subsidising the building of low rental housing by local Housing Authorities.

It is not suggested that the present time of labor and material shortages is a suitable one for the immediate launching of a large scale low rental housing programme, but between the presentation of a new housing bill to Parliament and its realization in terms of houses, a considerable period, probably at least two years, must necessarily elapse, and even then this legislation will only bear fruit, if the appropriate local organization exists to carry its provisions into effect.

At present no such organization exists; nor can one be created until the Government passes the necessary enabling Legislation. Such an organization will, moreover, require a little time to gain experience in a new field of administration and it is eminently desirable that such experience should be gained through operation on a limited scale in the first place before embarking on full scale operations.

The present boom conditions arising out of commodity scarcities will not continue indefinitely and the nation may well find itself quite suddenly in a period of underemployment with no clearly defined housing plan, which can be rapidly extended to take up some of the unemployment slack, and no local organization to carry it out when it is finally placed on the statute books.

Let us ponder the words of Nathan Straus.

"If business is good and the country prosperous, we shall be told that it is not the right time for the government to launch a programme of public housing, since increasing prosperity makes it probable that before long everyone will be able to afford a comfortable home..... If business is bad and the country is in a depression, slum owners will point to vacancies in slum areas, which always increase in times of depression because of the doubling up of poor families, and urge that condition as a reason for delaying the launching of a public housing programme. Like the farmer's leaky roof--- in rainy weather he can't get up to fix it, and when the sun comes out it just isn't worth while."

Failing early action by the Dominion Government, it is suggested that the **City Council approach the Provincial** Government with the object of obtaining a Dominion Government loan guaranteed by the Province for the setting up of a local housing authority. Arrangements can then be made between the Province and the Municipality for apportioning the costs of a moderate subsidy pending Dominion participation.

Even though this initial programme was only on a very limited scale, an important step forward would have been taken, since an organization would be created and the necessary administrative experience gained, in readiness for an extension of operations when further Dominion assistance became available.

In the meantime, every effort must be made to secure the provision of additional housing for Vancouver by Wartime Housing Limited as a temporary stop-gap pending the setting up of a local housing authority.

Conclusion

The existence of bad housing conditions in Vancouver is fully established. The excessive cost to the community of permitting such conditions has been proved beyond question. The nation possesses the resources necessary for the launching of a low rental housing programme, which will not only improve these conditions at a very moderate cost to the community in terms of taxes, but which will also increase the national wealth by providing employment during the leaner years to come.

What is delaying action? Two things only; ignorance and apathy.

Once the general public are fully apprised of the facts, not the opposition of a few selfish interests, nor the apathy of those entrusted with the duty of taking a decision on the matter, will count for very much. In England and other European countries, an indignant public opinion effectually killed all opposition and literally forced the government of the day to take action. The United States are now attacking the problem with increasing vigour. Canada will not lag behind indefinitely.

The key to the situation is education. The facts must be kept constantly before the public and the question ventilated in season and out of season. The taxpayer in particular has a special interest in seeing housing conditions improved, and he must be made fully aware of where his true interests lie. To this end, the Vancouver Housing Association asks for the active support of all community organizations and of every interested individual.

SUMMARY OF CONCLUSIONS

1. Even before the war there was an acute shortage of housing in Vancouver and house-to-house surveys showed that many families were living in deplorable conditions. With a population increase of 70,000 and little new housing, the conditions under which thousands of families are living today, in particular those of the returned soldier, is a public disgrace.
2. Numerous studies in other countries have established a close relationship between bad housing on the one hand and ill health and crime on the other. General and infant mortality rates, tuberculosis, juvenile delinquency, etc., are always closely correlated with the quality of the housing in each district. Removal of slum dwellers to new housing is normally accompanied by marked improvement in health and delinquency rates.
3. Detailed analyses of slum areas have shown conclusively that, apart altogether from the misery and discontent fostered by slums, the dollar cost of maintaining a slum in terms of health, police, fire protection and other services is far greater than the cost of tearing down the houses and rehousing the occupants in decent accommodation.
4. The health and lodging house bylaws covering the use of existing buildings should be revised, strengthened and consolidated into a single code and certain defects in the zoning bylaws removed; but bylaw control alone will not prevent the further deterioration of housing conditions.
5. The present housing crisis is not simply the outcome of war conditions which will right themselves in course of time. Bad housing is a deep rooted social problem originating in the fundamental fact that unassisted private enterprise never has, and never can under existing conditions, build houses to rent within the means of the lower income groups.
6. The carrying charges (including taxes, maintenance, etc.) on a minimum type house, built by private enterprise for sale, will today seldom be less than \$35 a month. Even limited dividend corporations, operating with 3% money, cannot build houses to rent at much under \$20 a month. In 1941, 63% of all Vancouver wage earner heads of families were earning less than \$1500 a year. Allowing the accepted proportion of one-fifth of income for rent, the top limit of rent which this group can afford is \$25 a month and none of them are in a position to buy their own home. Nearly one-third of all renting families earned less than \$1000 a year and had an average rent paying capacity of under \$10 a month. In short, to rehouse those families who are at present badly housed, the real need is for houses renting between \$10 and \$20 a month. Experience has shown that the gradual filtering up of families from poorer to better housing offers no adequate solution of the problem, since the strictly limited market for new houses becomes saturated long before the ineffective demand of the lower income groups has been satisfied. There is no prospect of lower building costs bridging the wide gap between rents and capacity to pay. Some form of subsidy is therefore necessary.
7. The principle of public housing has been fully accepted both in England and the United States and substantial subsidies are paid by the central and local governments of these countries to public housing authorities for the building of low-rental houses. English local authorities built over one million low-rental houses (at \$5.00 to \$15.00 a month) between the two wars and the latest American housing bill provides for the building of 500,000 low-rental units during the next four years. The average rent of dwellings built under the United States Housing Act is under \$13 a month.
8. Existing Canadian housing legislation is entirely inadequate. No provision is made in the National Housing Act of 1944 for the financing of local housing authorities set up by municipalities and no subsidies

are provided by the Dominion Government to bring rents within the means of those who are poorly housed. While insurance companies and limited dividend corporations, the agencies selected by the Government for its housing programme, can make valuable contributions to housing in their respective spheres, they offer little or no prospect under existing legislation of providing really low-rental housing. Cooperative housing, under adequate supervision, has many advantages for the tenant-shareholder of moderate income and should receive equal government assistance with other approved housing agencies. The provisions contained in Part I of the Act for assistance to prospective home-owners in the purchase of their homes are soundly conceived and adequate in scope.

9. The most suitable type of organization to build subsidized low-rental housing is a semi-autonomous local housing authority set up by one or more municipalities under the auspices of the province and organized, preferably, on a metropolitan basis. This type of organization has worked very effectively in the United States where over 600 authorities are now in existence. In the national field of administration, all housing and community planning activities should be concentrated in the hands of a single minister.
10. Local housing authorities would be financed by Federal loans up to 90% of the value of the project, while the municipality or province would provide the balance of capital required. Subsidies would be paid by the federal government on the condition that a proportionate contribution was made either by the municipality or the province. To bring rents down below \$20 a month, a subsidy of around \$10 per unit per month would be required initially. If the city were required to provide 25% of the subsidy, the cost of a programme of 5000 houses would be \$150,000 a year, amounting to about .7 of a mill on a total net tax rate of 50.4 mills. Tax revenue would, on the other hand, be increased by some \$400,000 a year. The cost of the Dominion subsidy on a nation-wide programme of equivalent scale (140,000 units) would be approximately one dollar per head per annum.
11. On a housing standard of one family, one self-contained dwelling, there is a shortage of over 20,000 houses in the City of Vancouver alone. In order to eliminate this shortage and to take care of normal growth, some 3,500 houses a year will be required for the next 10 years. At least one-third of this output should be low-rental housing and a further third within the means of the medium income group.
12. All sections of the community would benefit directly or indirectly from a sustained building programme on this scale. Of all forms of public work, public subsidized housing is the most economical method of creating employment. One dollar spent on roads or schools produces directly on dollar's worth of industrial activity. One dollar spent on housing subsidies would produce about forty dollar's worth of new construction. If rents are brought low enough to house those families, and only those families, who cannot afford new houses built by private enterprise, a public housing programme will not enter into competition with private building and will, on the contrary, increase the total volume of building.
13. In Vancouver the individual house and garden is the most suitable type of dwelling for the majority of families. Grouping of houses in blocks of two to six units will, however, achieve important building and operating economies and release land for community services. Large scale, long term operations will result in effective community planning and reduced costs.
14. Slums cannot be demolished until adequate accommodation is provided for the slum dwellers displaced. Building on low cost vacant land in

the outer areas must therefore be the first step in a housing programme. When the immediate shortage has been met, a vigorous policy of condemnation and closure, must be undertaken. Certain areas, notably the area east of Dunlevy Street, should be acquired by the City and re-developed as a whole. The City and outlying municipalities should, wherever possible, reserve suitable areas of undeveloped land for large scale housing projects.

15. The location of new industry should be given positive direction, since work places are the determining factor in housing policy and large concentrations of industry inevitably spell housing congestion. Industrial intrusion into neighbouring residential areas should be curbed. More effective control should be exercised over the development of new residential areas. Greater provision of parks and play areas is required in the inner residential areas. Steps should be taken to set up a metropolitan planning commission to prepare a master plan for the Greater Vancouver area.
16. While the present time of material and labour shortages is not propitious for the launching of a large scale low-rental housing programme, immediate steps should be taken to secure the passage of the necessary enabling legislation and the setting up of a local housing authority with power to carry out an experimental programme, which could be rapidly expanded when business activity begins to slacken. Wartime Housing Limited, with some 1100 houses under construction or completed in the City of Vancouver, at rents ranging from \$22 to \$30 is the only agency which is meeting the desperate need of the returned soldier for moderate rental housing. Until a local housing authority is created, the building programme of this agency should be continued and expanded.
17. Two factors alone are delaying housing action: ignorance and apathy. Only the pressure of an aroused and informed public opinion will induce federal and local governments to assume their full responsibilities in meeting the housing problem.

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Vancouver Housing Atlas - Department of Trade and Commerce, Ottawa, 1944.
An analysis of rents, incomes, accommodation, etc. based on census surveys.

Housing - Department of Pensions and Health, Ottawa, 1938. 30 pp.
A review of the need for better housing in Canada, with special emphasis on the health aspect.

Note:

The National Association of Housing Officials, 1313 East 60th St., Chicago, publish periodical reports and pamphlets of great interest.

The Housing Centre, 13 Suffolk St., London (England), issue a monthly bulletin containing lists of the latest English housing publications.

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