

We feel that the Government through the C.M.H.C., should interest itself in that problem; in other words, to finance the small municipalities in the installation of their trunk sewer systems.

Senator BRUNT: By subsidies?

Mr. CARON: Definitely not.

Senator BRUNT: How ?

Mr. CARON: By a straight loan.

Senator BRUNT: The Ontario Government has that set up already for you now. The Government has set up a corporation in Ontario for the purpose of purchasing bonds issued by a municipality for the purpose of financing service installations. Do you want a duplication of that service from the Dominion Government? Is that what you are advocating?

Mr. CARON: That is one possibility.

Senator BRUNT: There is another thing. If the Dominion Government is going to do this, then is the landowner and developer, and in many cases the landowner and developer is the builder, going to cut his profit on the land down to 10 per cent? Would you advocate that also? When you come to the Government on the one hand asking for assistance what are you willing to contribute as a builder-owner and land-developer?

Mr. CARON: Mr. Chairman, I have an answer to that. You have spoken, Senator Brunt, I think rather generally when you say that most house-builders are the land-developers. In my area that is not the case.

Senator BRUNT: It is the case in my area, which is around Toronto.

Mr. CARON: Well, it is certainly not so in Montreal. Our problem in Montreal is that the cost of land has rocketed. There has been no control. I do not say there should have been control but nevertheless there has been no control at all, and a great deal of foreign money has come in and bought up this land and they are just hanging on to it waiting for me to come along and pay them a tremendous price in order to develop it.

In my case, as the builder, not now but during a period since the war I actually have built houses with a selling price that was controlled. In other words I was controlled but the owner of the land was not.

Senator BRUNT: But you are not controlled now.

Mr. CARON: No.

Senator BRUNT: And now is the time you are asking for this assistance. What I want to know is what have you to offer in return?

Mr. CARON: We are not asking for assistance in a direct sense, we are asking that the municipalities be assisted in financing these installations because, and again returning to Quebec, I can think of one particular municipality which could not sell their bonds to obtain the money for service installations.

Senator BRUNT: But still that is for the benefit of the builder.

Mr. CARON: It is for the benefit of the man who is going to purchase the house.

Senator BRUNT: But he is not here with the brief, it is the builder who is here with the brief today asking for this assistance and benefit. Now, what have you to offer in return? I think we should have something. Are you going to cut your profit down, cut down the price of the land so that everybody will be making a contribution to lowering the cost of housing.

Senator SMITH: Mr. Chairman, does that not follow from what the brief says? Does that not cut the cost of the serviced land down, to the benefit of the person who wants to buy a house?