

now at school. They will have to be housed somewhere and somehow, and they will have to be housed at a price. I don't think we should look, gentlemen, at the kind of country we knew 20 years ago where all across the Prairies the services were laid out for years in advance. We had a bank of sewer and water services, and so on. That bank broke and a good many municipalities during the depression could no longer afford to carry on. The fact is the bank was there, but there is no bank of services anywhere in Canada now except in one or two communities in the Prairies where they still have sewered lots laid out.

You could have three new cities of a million people each or you could add them on to the periphery of existing cities. Whatever happens, it will cost money to lay out the necessary services to house these people. You won't exaggerate anymore than I hope I would—although I am a prejudiced witness—that housing is going to be the most important part of this. It is not. It is going to be one part. Capital must be found to develop the resources and create jobs for our people. We talk about the supply of money for housing purposes being short. Well, it will be short as long as we have 3 million families to house. The supply of capital generally will be short.

Senator ISNOR: Just what do you mean by 3 million?

Mr. BATES: There are 6 million children at school, Senator Isnor. I am only saying that I assume most of them will be getting married.

The CHAIRMAN: That is a proper assumption.

Mr. BATES: That will mean 3 million families. Don't forget, we have 6 million children under 18 years of age. If they get married at the same age as young people are now marrying—20 and 21—it will not take long before they will be into the housing market.

Senator ISNOR: In other words, you are saying that at our present rate of house-building we will be 30 years catching up to the demand?

Mr. BATES: Be careful now, senator.

Senator ISNOR: Follow it through and see if I am not right.

Mr. BATES: This year we will build in Canada—I don't mean Central Mortgage but the people of Canada—150,000 houses at least. If you keep going at that rate you just about keep up with the children coming out of school. On top of this you have a million houses over 50 years old. You have some rat-infested dwellings and you have slum areas.

Senator HORNER: You must remember that old people do not live for ever and they will be leaving some very good houses.

Senator LAMBERT: The mortality rate has to be taken into consideration.

Mr. BATES: I am taking that into account. Death is inevitable but birth isn't.

Senator CRERAR: Granted that houses may be 50 years old, does that mean they should be replaced?

Mr. BATES: My house is 55 years old, Senator Crerar, and it must not be replaced for a long time.

Senator CRERAR: In 1951 I spent a couple of months in England in a house that was built in Cromwell's time.

Mr. BATES: That is a different country.

Senator HAIG: Houses will last a hundred years.

Senator SMITH (*Queens-Shelburne*): I hope that Mr. Bates will not lose the trend of thought he was developing so nicely.

Senator HAIG: I think Mr. Bates is right in his figures.

Senator CRERAR: I might have left a bit of a wrong impression. I know some houses in Winnipeg that were built 60 years ago and they are still very