

Most of the defects caused by poor workmanship are of a minor nature affecting the finish of the house only, such as: badly fitted doors, and carelessly applied trim which shows hammer bruises and rough surfaces, which should have been sandpapered; badly finished floors, and rough joint filling in the gyproc wallboard. These minor defects can be corrected with very little expense and effort and are normal problems in house construction.

On the sites where the workmanship is of inferior class, defects of a more serious nature were noted such as, careless framing and uncontrolled cutting of structural members to allow passage for pipes, this has caused deflection in the floors; careless framing for chimneys where the wooden joists and beams have been allowed to touch the chimney, this constitutes a fire hazard; rough, and in some instances thin plaster which is cracking and falling off the walls and ceilings already; roughly finished and badly cracked basement floors. These and other major defects which were noted can not only be blamed to bad workmanship, but show a lack of competent supervision and careful inspection on the projects where they occur.

6. Costs.

After examining the Cost Statements presented by Mr. G. L. McGee, Chief of the Building and Supplies Division, Veterans Land Act, the following points were noted:—

(a) *Cost of House Construction*

These costs vary greatly due to the various designs and to the various conditions under which the houses were built. The average cost of the six-room houses varies from \$8,300.00 to \$6,000.00, while four-room houses cost between \$6,700.00 and \$4,700.00. Cubic costs of the most expensive designs vary from 55c. per cubic foot to 41c. per cubic foot, with other designs showing cubic costs below these figures. It is felt that the average of these costs, approximately \$7,150.00 for the six-room house and \$5,700.00 for the four-room house is reasonable cost in today's market.

It is noted that where the cubic costs have exceeded 48c. per cubic foot the cost to the purchaser has been reduced to this figure by "write offs" to cover unusual conditions such as transportation of labour and temporary heating, this brings the costs generally within the sums mentioned above. As most projects were located some distance from the city somewhat higher costs of construction can be expected.

(b) *Land and Services*

The cost of the land in all cases has been found to be exceptionally low and in many instances the value would be 25% to 30% more if purchased today.

Drainage, sewage disposal, water supply, and construction of roads, are items of considerable cost on all projects, and these have been taken into account when considering the final cost of the small holding. Again reductions have been made in cases where the cost of these improvements has reached a higher than average figure due to unusual conditions.

(c) *Financing*

Another item considered in the final value of the small holding is the cost of financing; in this case the interest rate is but 3½%. This low rate helps to balance the inflated construction costs due to existing conditions.