

Senator CRERAR: Well, if that was the case at one time I think that perhaps the federal Government of that time should have had its head examined. The point I am getting at is this, and to me it is a very important point: who pays in the end? Are we going to incur deficits and increase the public debt? I think that is a very important point that should be cleared up. Implicitly many of these presentations that have been made to us recommend something along this line.

Mr. RICE: I certainly do not subscribe to subsidies. I do not believe that that solution is in the best interests of all concerned. In reading your proceedings we have noticed that during the various discussions the low-cost house is being discussed continually and we believe that probably in the long run it would be in the best interests of the country as a whole to have the lower cost house built. This method could save money in the long run rather than shift the burden to the municipalities, having the municipalities spending large amounts of money to build low-cost housing. We believe however that it can be done without direct subsidies to the homebuilder. So these grants which you mention which might be a burden on the country as a whole I believe possibly would be cheaper in the long run.

Senator CRERAR: No matter how it is done, if assistance is given it is a subsidy.

Mr. RICE: Well that might be true. But many other industries are subsidized. The farmers, for instance, are subsidized in certain respects.

Senator CRERAR: Will you agree with this, that if that principle is to be extended to farmers and to everyone else that sooner or later the Government must take the authority to direct their activities?

Mr. RICE: Unfortunately I have to agree with you, and I for one see the danger in a situation of that nature.

Senator CRERAR: You would not say for a moment that that is a desirable journey's end to arrive at?

Mr. RICE: I do not think it is too desirable but if it is a necessary evil we may have to have it.

Senator CRERAR: Now, that is a dangerous statement. Do you not think that a line of action will eventually change our whole complex of freedom?

Mr. RICE: I entirely agree with you Senator Crerar, but I think you are getting a little too deep for me now.

Senator CRERAR: I do not want to get too deep for you at all. But it does seem to me that that is a very important point.

One other question, Mr. Rice: have you any view on the fact that we are putting too much emphasis on the building of big metropolitan areas, big cities?

Mr. RICE: I believe that we are. It creates many problems, transportation problems for instance. I believe possibly people might be happier living in smaller centres that can be handled more economically. I believe you are absolutely right.

Senator CRERAR: As a matter of fact, during the depression years of the thirties, 90 per cent of the problems of Government I will say, certainly outside the agricultural area of Saskatchewan, arose in the cities. I know that is a fact in the province of Manitoba because I have the figures somewhere.

Mr. RICE: I cannot speak with any authority on that subject, Senator Crerar.

Senator LAMBERT: Mr. Chairman, I wanted to ask the witness with reference to the first paragraph describing the membership of this organization which is made up of, I assume, merchant builders and accessory supply houses,