has spoken in the debate and objected to building wartime houses, and objected to everything about them.

Mr. ADAMSON: I do not object to your building houses, but I do object to your putting a liability on the municipality, and the municipalities object too, because you have to expropriate land.

Mr. HOWE: We did not get that land for a dollar.

Mr. ADAMSON: You are quite right you did not. You had to expropriate the land in one of the municipalities in my riding for that very reason, and I suggest that while houses are a desperate emergency at the present time, the contract with the municipalities must be reviewed and revised; otherwise, in four or five years' time, you will have a liability which will speedily bankrupt a number of these suburban municipalities. One of the municipalities in my riding required expropriation before they gave the land to Wartime Housing.

Mr. MITCHELL: What is wrong with expropriating that land to build houses for people to live in?

Mr. MACKENZIE: War veterans.

Mr. ADAMSON: This was not for war veterans but for factory workers.

Mr. MITCHELL: You cannot play both ends against the middle.

Mr. ADAMSON: If the Minister of Labour will contain himself for a minute I will tell him what is wrong with the principle. There is nothing wrong with building a house as long as you are prepared to pay for the services it will entail. The family who will live in the house will require certain services. If you build twenty or thirty or fifty or two hundred houses in a municipality, the people who will live there will certainly require services, and they will require services at a greater rate than the government is prepared to pay for at the present time. I suggest that the government should revise the agreement because, as I have said, they are going to build up a considerable liability for the municipalities, which will wreak havoc in the years to come.

Mr. LENNARD: Is any of this amount for the housing conversion plan? May I ask further if the conversion plan is being extended, or has the extension been discontinued?

Mr. HOWE: I must confess I do not know. It has nothing to do with Munitions and Supply or the Department of Reconstruction, and my knowledge does not go outside those departments.

Mr. LENNARD: What department is it under?

Mr. HOWE: I could not tell the hon. member.

Mr. CASE: No one knows; it is an orphan.

Mr. HOWE: It is Finance.

Mr. REID: A great deal was said this afternoon about the building of houses, but very little has been said regarding the solution of the problem. Therefore I am going to make this suggestion to the minister and through him to the government. The question to-day is one of lumber and the crux of the matter is largely the price set for lumber at the mills in British Columbia which produce the greater proportion of the lumber in this country. I am surprised that hon. members, from Ontario particularly, have not risen in their places and complained about the price they are charged for lumber in this province. Let me give an instance of the profit that is being made by the dealer in Ontario.

The mill owners of British Columbia maintain that the price set for lumber on the local market in that province is causing them to take a loss. Were it not for the fact that they are shipping lumber across the line and to the eastern provinces they could not carry on. We want to stop a lot of the shipment of that lumber across the line and use it ourselves. I shall give the committee a few figures as to what the dealers are receiving in Ontario. The ceiling price to the mill in British Columbia on fir lumber of one grade is $25 per thousand feet. The freight on that lumber from British Columbia to Toronto is $29.50, making a total of $54.50 per thousand feet at Toronto. There was a time before the war when the dealer in Toronto had to build a large shed to store lumber and the overhead was very great. To-day he has no overhead because it comes out of the car on the siding and goes right to the house which is being built. What is he charging on that lumber which cost him $54.50 per thousand on the siding? On that lumber he is allowed a ceiling price of $80.

Some hon. MEMBERS: Shame.

Mr. REID: Actually he is making $25.50 profit more than the dealer who manufactured the lumber in British Columbia. Let me now take the shipments across the line. The dealer shipping across the line gets some $12 to $15 a thousand feet more for shipping lumber