

use of the land space between houses, there is great danger we will be simply creating new slums that will quickly become uninhabitable. I think the builders are afraid, and justifiably so, of that, and the lenders also may be afraid of it.

Senator WHITE: That type of housing you are suggesting or recommending, the type you want to have, how are you going to get that house for what you may call low cost?

Mr. BEECROFT: It may be very much better to make the savings that are necessary by exploring all the possibilities of low cost multiple units in our housing developments. Although our brief does not take time to say it, row-housing may have an advantage of giving a tenant an opportunity to become an owner, to acquire an equity in the course of time. I think that we have not explored sufficiently in this country the possibilities of good multiple-unit housing. From experience in other countries and some of our own experience, it appears that our architects and town planners and builders are quite capable of producing a fine type of rental housing for people who need accommodation at low rentals.

Senator WHITE: Do you want to put a price on your figure of low rental housing or low cost housing? What income bracket would a buyer have to be in to be able to pay for low rental housing? What is the income bracket you have in mind?

Mr. BEECROFT: Roughly from \$2,500 to \$4,000 a year.

Senator WHITE: How much would a house have to be sold for to be purchased by a person in that income bracket?

Mr. BEECROFT: In talking about the \$8,000 house, or the so-called Hipel house, the income bracket a person would have to be in to purchase that type of house is approximately \$2,700 to \$2,800, and that is according to the calculations which have been associated with the Hipel house.

Senator WHITE: Do you mean that if you have an income of \$2,700 a year you can live in an \$8,000 house—is that what you mean?

Mr. BEECROFT: That is my understanding from discussions I have heard of the Hipel house. I am accepting the statement of the National Association of Housebuilders on that.

Senator EULER: Do you mean such a person could afford an \$8,000 house on a rental basis or on the basis of purchasing it?

Mr. BEECROFT: Buying it.

Senator EULER: On a \$2,700 income per year?

Senator WHITE: How many years would it take to pay for a \$8,000 house on an annual income of \$2,700?

Mr. BEECROFT: Twenty-five years.

Senator PRATT: Evidence given at a previous meeting of the committee mentioned that something like 22 per cent of a person's income, within certain brackets, would be appropriated to the amortization and the carrying charges of a house in the low cost bracket.

Mr. BEECROFT: I think the standard usually lies somewhere between 22 per cent and 27 per cent.

Senator PRATT: 27 per cent?

Mr. BEECROFT: I think 27 per cent is about the maximum that would be acceptable.

Senator PRATT: That would be a very high percentage of a person's income?

Mr. BEECROFT: Yes it would, Senator Pratt.