

build that type of floor to begin with. These standards are minimum standards but all these extras have been added on and have, in effect, become what we might say the regular standards. They are no longer the minimum standards but the going standards.

Senator MOLSON: And the minimum price of the going standard is considerably higher, around \$14,000?

Mr. BATES: Of course. Senator Smith asked us about putting together a smaller house. We are going to put together two smaller types. One will be a house which meets our national minimum standards, a house that will sell for about \$8,000 per unit. We are trying to get a builder in Ottawa to put up a group of these now, and the other is a still lower cost type of house.

Senator McDONALD (*Kings*): The essential requirements will still be there?

Mr. BATES: Yes, they will have to be met but they are not difficult to meet. They are the standards having to do with structure, health and fire.

Senator CAMPBELL: Is there not another factor you have to bear in mind? A house has to be attractive enough to be sold. Is that not why a lot of extras are being added by the builders?

Mr. BATES: This is so. Dealers are not adding these because they want to particularly, they are adding them because they think this will make the houses sell, and they do make the houses sell. In some cases they have gone as far as \$22,000.

Senator CAMPBELL: What down payment do you want?

Mr. BATES: On \$22,000?

Senator CAMPBELL: Yes?

Mr. BATES: The maximum loan is \$12,800 under the N.H.A.

Senator LEONARD: He is not supposed to have a second mortgage?

Mr. BATES: He is not supposed to have a second mortgage. Your words are well chosen, sir.

Senator SMITH (*Queens-Shelburne*): I have one more question I should like to ask Mr. Bates. If you have designed a low-cost house, will you send me a copy, I would like to see what it is like?

Mr. BATES: To any of you honourable gentlemen who are interested in looking at this in embryo, before we issue it, we shall be very happy to have you come down to the corporation to see them and to talk to us about it, and to hear what you think about it. We would like to know in advance. I leave it to you, sir, and you might find others who are interested, and they can come down and see us and talk about it.

Senator REID: What do you say is the maximum loan under the National Housing Act?

Mr. BATES: \$12,800. For the \$22,000 home and upwards you are better off by getting a conventional loan. When you get up to \$30,000 you can get an \$18,000 conventional loan. There comes a point because of the breakoff of \$12,800 of the maximum loan, but the rest is really left to the approved lenders in the conventional loan field. The N.H.A. is designed for houses under \$16,000.

Senator CAMPBELL: What would be the cost of the land for a \$22,000 house you are speaking of here?

Mr. BATES: It would be \$4,200 to \$4,500.

Senator CAMPBELL: Roughly 20 per cent?

Mr. BATES: Roughly 20 per cent.

Senator CAMPBELL: In your experience over the past four years have land values increased more than building costs?