

to interrupt you when you got on to housing. Would you mind leaving that problem for the present? Your remarks are carefully noted, and I know that Mr. Mansur will answer at the proper time.

Mr. CRESTOHL: Mr. Chairman, my remarks all relate to loans to builders.

The CHAIRMAN: They do, but there is the difficulty. I am just trying to keep our questioning orderly.

Loans for rental housing—have you anything to amplify that?

Loans for defence workers:

Mr. BLACKMORE: I wonder if the witness could give us some information as to how a defence area is constituted, and where those areas are?

The WITNESS: Mr. Chairman, I have not with me a list of defence areas but I would be glad to supply it to the committee.

By Mr. Macnaughton:

Q. Have you any idea as to what the rental of defence workers apartments may be?—A. Yes, Mr. Chairman. I think I have that information with me. Generally, the rentals for defence workers multiple units would be pretty much the same as ordinary civilian rentals; the payments of the mortgage loan, expenses of operating the property, and so on, are almost identical; and the allowance contained in the original rent provides the builder with exactly the same rate of return as though he had been building on the civilian side. Mr. Chairman, I have a typical case before me, in Montreal, which I think might answer the question. These are cold water flats, are unheated, but include janitor service. In this particular case apartments of four rooms of 876 feet—the monthly rental is \$57.50. There are apartments of 657 feet, of three rooms and the rental is \$47.50. Those are cold flats. Now, if that was a fully-serviced flat the differential would be of the order of \$20 for heat and hot water—those are the main items of difference, together with stoves and refrigerators being supplied.

Q. That is about \$85 or \$90?—A. Fully serviced. Mr. Chairman, under the regulations the maximum allowed in a flat of four rooms of 800 feet fully serviced, janitor, heating and at the same time supplied with hot water, stoves and refrigerators; the maximum allowable rent is \$87 for that type of unit. I might say, Mr. Chairman, that that is the maximum. It is probable that the rent on the average would be maybe \$3 below such a maximum.

Mr. CRESTOHL: Mr. Chairman, this presentation by Mr. Mansur has been excellent and very comprehensive—I must commend him on it very warmly.

The CHAIRMAN: Yes, indeed.

By Mr. Crestohl:

Q. I wonder if he could tell us at this point by whom and how is a defence area determined?—A. Mr. Chairman, a defence area is determined by the Minister of Defence Production; but I would like to amplify that by saying that in doing so the Minister of Defence Production does not declare an area to be a defence area, he declares that the employees of a defence manufacturer are eligible for financing under the defence workers' plan. And now, as a matter of administration, we have thought that the certified workers of a defence plant should procure their housing within reasonable access to the defence plant; therefore, although the Minister of Defence Production does not actually declare an area—say for the A. V. Roe plant—a defence area; we tell the builders that if we are going to finance houses under the defence workers' plan we think that these houses should be within 15 minutes distance of that plant. Mr. Chairman, I do not want to give the impression that there are no defence areas, the minister declares the plant to be one suitable for the