certain conditions which prevailed during the years prior to the outbreak of the recent war. It has been said, and it is definitely recognized today, that probably the greatest single problem facing the home builder or the prospective home builder is the tremendous costs involved. I know that, prior to the war, lumber, which today costs in the neighbourhood of $55, $60 and $70 a thousand, was to be had for as little as $12 to $16 a thousand, and I hazard the suggestion, too, that lumber which we purchased prior to the outbreak of the war for $14 to $16 a thousand was a better grade of lumber than that for which we are called upon to pay $50, $60 and $70 a thousand today.

But we found very little building going on even then and I think the reason for that is well known to us all. We were faced with tremendous unemployment problems. There was then no shortage of labour, but there seemed to be a shortage of the determination to utilize available facilities for the purpose of adequate home construction. One change that has taken place since those middle thirties is that money costs today are, generally speaking, considerably lower than they were then. One of the difficulties prior to the war was an inability to arrange adequate financial terms because of the high interest rates then prevailing. I am pleased to know that in some respects this one problem has been overcome. At that time, when we were faced with higher interest costs, taxes were usually paid separately from the contract and certainly they constituted a tremendous burden. Then there was the compounding of interest on loans made for housing purposes. Before the war and during the war and more particularly today there has been this tremendous upward climb in municipal tax rates. I think it is true of every part of Canada that municipal tax rates are climbing to staggering heights. The prospective home builder of today in so many communities hesitates to build because he fears the forfeiture of his home within a period of a very few years on account of the increase in the mill rate.

When we entered the war, decent housing accommodation was the exception rather than the rule. I mention that just to underline the fact that housing is not a problem that has come upon us merely since the outbreak of the war. It has been a chronic problem and is accentuated today by the fact that more people are financially able to build; in addition, a great many marriages took place during the war and that has stimulated the demand for housing; also a great many people, wives of servicemen and others, have come to live in Canada since the cessation of hostilities. This has all accentuated the demand for housing. Persons who never before could contemplate home construction are today contemplating it. But first they are faced with the critical material shortage.

I happen to be one of those unfortunate individuals who have built homes for private use within the past two years and I know something of the headaches with which one is afflicted during the course of such a venture. When one speaks of costs being shocking he is not exaggerating at all. I hate to speak in a personal way and do so only to illustrate my point. I paid $55 and $65 a thousand for shiplap which ten years ago I would not have used in the construction of a chicken coop. I paid $77 a thousand for two-by-tens which ordinarily I would hesitate to use in the construction of any outbuilding. This condition applies not only to lumber but to practically every other article that goes into the construction of a home, with the result that today a five-room house with bath will cost $8,000 or upwards, unless you are just going to throw it together, and even then I doubt if you can do it for very much less than that. Some of these five or six-room houses, complete with basement and possibly an attached garage, are being built for a price in excess of $10,000. What is the immediate effect of that? The ordinary individual contemplates the possibility that within five or six years property values may have depreciated to the point where those homes will be worth only $2,500 to $3,500. There are scores of people who are hesitating to build today because of the danger of taking that tremendous loss in capital value on account of depreciation because of economic conditions. For the ordinary person who requires a dwelling, building is almost entirely out of the question under present conditions.

I spoke of assessments and taxes a moment ago. This is what we are faced with in most of our municipalities. Assessments today are running from 60 to 100 per cent of present-day property values. It is hard to believe, but it is true that in some municipalities a person owning a $4,000 home is today being called upon to pay anywhere from $185 to $225 a year in taxes alone. I know of cases where these new $8,000 homes, which may be worth only about $4,000, have an annual tax charge now of $400 a year. I do not want to mention any particular municipality and I shall not do so, but it is a fact that in certain municipalities these conditions do obtain. I could produce tax statements to show tax charges of from $200 to $400 a year on homes running from $4,000 to $7,500 or