

to Winnipeg for a distance of 65 miles. As I say, now we have to pump that water into pipes to serve these people. Who is going to pay for it?

This is the situation: You can buy land 10 miles out of the city for a \$100 an acre, or you can buy land within the metropolitan area for \$800 an acre. The \$800 land is cheaper than the other land, because you can build four or five houses on it and sell them. You can't sell the houses you build on the \$100 an acre land.

Senator PEARSON: Would it not be cheaper to buy the land farther out at this time and take the water to it from the metropolitan area?

Senator HAIG: It costs too much.

Senator PEARSON: It would be cheaper than paying the \$5,000 an acre that we hear about, for land in the metropolitan area. Surely, you could lay a lot of pipe for that price.

Senator PRATT: Mr. Chairman, I am sorry that I was not able to be in the meeting for the reading of what appears to be a very informative brief. May I ask if it contains anything which involves matters of federal concern, or does it deal exclusively with the jurisdiction of the city of Toronto and the province?

Mr. RICE: Senator Pratt, we are talking as a local group from this large metropolitan area of Toronto. We believe that in so doing we can put our point across, and the Central Mortgage and Housing Corporation may come into the picture in some manner to enable us to bring about lower costs to the home builder. I may be entirely wrong, senator, but I believe we are rapidly reaching the point within our area where there will be no homes built for less than \$20,000. This is not our fault, but is due to rising costs.

Senator PRATT: The main feature of your presentation is to bring C.M.H.C.'s operations more closely in touch with the operations in this area.

Mr. RICE: As we point out in our brief, generally across Canada these things seem to follow a pattern. I don't know where they start, whether in Montreal, Toronto or Winnipeg, but once they start they seem to follow a pattern and spread across Canada; every municipality eventually is faced with the same problem.

Senator SMITH (*Queens-Shelburne*): Mr. Rice, can you give us any information as to what the taxes would be on a typical \$15,000 house in the metropolitan area?

Mr. RICE: In Etobicoke, for instance, we estimate the taxes on a 1,050 square foot residence, costing \$15,200, to be \$250. That is on the minimum sized lot, 50 feet, with all of these various things included in the price, curb, pavement, water, sewer and so on.

Senator SMITH (*Queens-Shelburne*): In other words, if the municipality itself is going to look after these extra costs, your taxes would therefore be quite a bit higher.

Mr. RICE: If all those services are installed, that is quite true. We also believe that the requirements may be a little too high. In other words, the home owner initially would not require the services, but the municipality asks for them.

Senator SMITH (*Queens-Shelburne*): I think it is interesting to point out to you that even in small towns where we do not have the extra cost of high priced lots, we are paying more taxes on the \$15,000 house than you are paying in the heavily populated area. It strikes me if a man wants to live in a metropolitan area he should be quite willing to pay more taxes on his home than if he lives in a small town, because he gets the benefit of higher wages and so on.