

Senator PEARSON: The problem is this, Mr. Rice. You would start out with a new community, moving out say ten or twenty miles, which would be an entity in itself. It would also have to have its own servicing in that area. It would not be connected with the metropolitan area at all.

Senator HAIG: They couldn't get it. The cities cannot get it on the prairies.

Senator PEARSON: I am not speaking of the prairies particularly.

Senator HAIG: Winnipeg brings us water about 70 miles, and we have the greatest source of water and the best water in Canada.

Senator PEARSON: But I would like to get Mr. Rice's answer to my question.

Senator HAIG: I want to hear Mr. Rice's answer not on your basis at all, but on the basis of the whole question being put to him. It is the water and sewers that he is troubled about?

Senator PEARSON: I am just asking a question that I would like answered.

Mr. RICE: I am a little confused now.

Senator PEARSON: It is the cost of land I am thinking about, not the servicing or anything else, just the cost of land at this time. In your brief you build roughly four houses to the acre. That adds tremendously to the cost of that house. Now, would it not be possible to move out from the cities say ten or fifteen or twenty miles away and spot your land before, and buy that land so that you could get it cheaper?

Mr. RICE: Yes, I believe that, senator. If a large enough area could be purchased at one time so that the price is not bid up by speculators, for instance if you go ten miles north of No. 7 highway in Toronto, which is not a great distance so far as metropolitan Toronto is concerned, land could possibly be purchased for as low as \$200 to \$500 an acre, whereas we have this terrific price of \$5,000, and in some instances \$8,000, in the closed-in area; and if a huge area could be purchased at the very low price, that would answer your question. There is also probably another avenue to be explored. We believe that the price of land is determined by the proximity of water and sewer mains, so that if large lengths of water and sewer main could be laid along various roads leading through these various areas which could be developed there would be so much land available close to the services that automatically the price could be reduced. I am not saying that is possible, but it is a theory.

Senator HAIG: Name one city to me where that could be done outside of Toronto.

Mr. RICE: I am not prepared to do that, senator, I cannot tell you. I know Toronto, I am not too familiar with other cities.

Senator HAIG: You could not get people to go ten miles out of Winnipeg, the distance is too far to come into work every morning and go home every night, and they will not do it.

Senator PEARSON: They have done it for years in Selkirk; they have been travelling a distance of 25 miles in and out.

Senator HAIG: That is all right; they couldn't find any other place to go. These cities have to compete with other cities across Canada for manufacturing; Winnipeg has to compete with Toronto and Montreal on price, but if we have to cart the goods over an area 10 or 20 miles, we can't compete successfully. The people won't go to live there.

Mr. RICE: That may be the trend, but in the Toronto area we don't seem to have that problem.

Senator HAIG: Furthermore, in Winnipeg we can't get water closer than 80 miles away. This year the water level in the lake is down five feet, and machinery had to be bought to pump it, whereas in other years it ran downhill