

scarce commodity. It is not land that is scarce, it is serviced land; it is the big pipes, the big water mains that are still scarce. The developer can look after the other things.

Senator CRERAR: Would it be any help, Mr. Bates if the municipality put a substantial surtax on the vacant lots that are being held in the hope of the price being forced up?

Mr. BATES: No doubt there are many interesting ways in which municipalities could finance this operation, and that is one of them.

Senator PEARSON: Could you not restrain the price rise on approved property by limiting the amount of C.M.H.C. mortgage loans with respect to such land development?

Mr. BATES: This would be a very bureaucratic undertaking, and we have not seen any evidence that the people of Canada want a stringent control of this type. There is no doubt that controls could be developed that would work one way in St. John's, Newfoundland, and another way in Etobicoke or Scarborough. All of this could be done but it would be a fearful operation for any federal agent to take, since in the end this is essentially the business of the provinces and municipalities. I believe that up to this time the various federal Governments have taken the view that while they are in housing they are in it as an aid rather than as a direct leader in the development of communities. This seems to have been the philosophy.

Senator HORNER: The servicing of land for housing purposes is primarily the responsibility of municipalities, is it not?

Mr. BATES: Quite. Today most of our municipalities have urban districts and some of the larger centres constitute a conglomeration of municipalities. This sort of condition calls for action by the provincial governments in order to implement a satisfactory policy with respect to supplying water and sewers, and other services. In other words, you can no longer look at the municipality of, say, Malton, and determine what is required in Winnipeg, for instance.

Senator HAIG: There is another factor there. You have talked about water and sewers. In connection with Winnipeg, the water comes into the whole area from 130 miles away and the capacity limit has been reached. They are bringing in 25 million gallons a day and in order to bring in any more there will have to be an aqueduct built. Who is going to build it? Am I as a property owner to pay extra taxes so that you, living miles away, can have water? I don't think so.

Mr. BATES: Presumably I am going to pay taxes where I am living in another subdivision. The solution can only be found in a mass project. It requires a metropolitan outlook. I am not saying that it should be a metropolitan council, the same as Toronto has; it may be a Water Board the same as Vancouver and some other cities have. Clearly, however, the problem cannot be solved by individual municipalities.

Senator PRATT: Each area has its own problems which come under either municipal or provincial and municipal jurisdiction. There was a terrific problem in the centre of St. John's, Newfoundland, not long ago. It was terribly congested. Outlying districts were expropriated and taken over and a housing corporation was set up. That nipped the conditions then prevailing in the particular place. Some people were very dissatisfied because their land was taken over, but it was done on an appraisal basis of values existing at that time. Then there are other areas outside the municipality of St. John's, and that is where the province takes over. These areas are just developing into municipalities. So there is no such thing as uniformity of problems anywhere, is there Mr. Bates?