

is limited to a certain extent in connection with these things. We have had admissions here from all quarters that there is some doubt as to whether or not there is an acute shortage in the supply of houses to accommodate people at this time. I know Toronto is growing very rapidly and there has been a demand there for new houses, and so on, but to appreciate to just what extent there may be pressure for new housing I think we have to relate it to the economic situation.

Mr. RICE: Senator Lambert, I cannot give you any statistics to prove there is a need but I can tell you from my direct contact with the buying public that there is a need and a demand. I cannot tell you whether it is for 100 houses or 1,000 houses, but there is a demand for a lower-cost house.

Senator SMITH (*Queens-Shelburne*): Mr. Rice, don't you really mean the market when you use the word "demand"? You say there is a great demand for low-cost housing. Don't you really mean a market where people would have the money to buy a low-cost type of house, and where you could get the cost down by doing something about the cost of the land? Perhaps I am putting the word "market" into your mouth and you do not intend to use it, but I would like you to tell me if you mean market.

Mr. RICE: I suppose demand and market are normally linked together, Senator Smith. Let us say that the market is dependent upon the demand. If people require this type of housing and it is all they can afford to buy, and they are satisfied to buy it, then we should satisfy their demand.

Senator HORNER: I was going to suggest to the witness that, of course, he would not like to give that reply to Senator Crerar, but I don't mind pointing out to Senator Crerar that when he formed part of the Government which instituted many of the things now heading in the direction he fears, I did my best then to point out to him it was a downhill and slippery road with no return. I said that once you start on a course of that kind you couldn't turn back. Now he is endeavouring to change directions in midstream.

The CHAIRMAN: I appreciate your point. There is only one thing I am going to say. I am not going to give Senator Crerar an opportunity to reply at this time.

Senator CRERAR: I can assure you that I don't wish an opportunity to reply.

Senator ISNOR: In regard to the survey that was made in 1954, four years ago, you received 6,000 applications for \$58-a-month accommodation. What is the main reason you did not proceed along that plan?

Mr. RICE: At that time, Senator Isnor, we had some discussions with members of the provincial Government, who I believe are partners with the federal Government in the ownership of land, and at that time the property which we had in mind was not forthcoming.

Senator ISNOR: Do you think it would have shown a profit to you?

Mr. RICE: I might say that we as an association felt we should contribute a certain amount. We felt that we should do this as a gesture of good will and good faith on the part of the homebuilders in the Toronto area. We believed we should contribute something towards alleviating the situation, and while this scheme may not have alleviated the situation to any great extent, we were willing to contribute in some small manner in helping towards this end. In other words, there was not a great deal of profit in the building of these low-rental houses but we were willing to go along in a scheme such as that.

Senator ISNOR: The fact remains, however, that there were 6,000 applications, and now you are at the same stage that you were in 1954. For some reason or other, you did not proceed?