

to it. The minister said that the landlord who had purchased property would be given an opportunity to prove to the court of rental appeals that he needs the house more than the tenant needs it, in which event he can give the tenant three months' notice to vacate. I do not need to point out that any practising solicitor in Ontario who has had any experience at all with a court of rental appeals would certainly advise his client that he had little or no hope of succeeding. The landlord must go through further red tape and expense, and what possible chance or hope has he of convincing a court of rental appeals that he needs the house more than the tenant does? What benefit will this be to veterans?—because the dates mentioned in the remarks made by the minister were November 1, 1944 and July 25, 1945, and the great majority of veterans were overseas at that time. They had not purchased any houses, so apparently the veteran is getting no better treatment than anybody else.

Because of the policy of rental control adopted by the government in the freezing of leases many landlords refuse to allow tenants in any part of their property, because once a tenant gets in there is no way of getting him out. One often hears the poor landlord much abused, but I would point out that every municipality receives practically all its revenue from the taxation of real estate. While rents have been frozen for years, the cost of labour and materials for repairs has sharply increased. In fact landlords who supply services such as light, heat and janitor have been doing so at increased cost; and yet they have had no rent increases.

I suggest that these rental regulations are most unjustified when they apply to small villages and rural townships. They even apply to a farmer who may rent his farm house as a dwelling. Once that house is rented it comes under rental control, and if he should decide to rent the whole farm he must apply for an order to exempt his lease as far as the farm house is concerned.

I suggest to the minister that some reasonable increase be allowed in all rents and that veterans who have purchased dwelling houses at any time in the past or in the future be allowed to obtain possession of them within a reasonable time.

The present rent controls are an injustice, and the real pity of the whole thing is the utter futility of the government's policy as a solution of the housing problem. The only solution of the housing problem is to provide an adequate number of housing units. Rental controls have made housing construction unremunerative, and eviction control has frightened capital from housing. I submit

[Mr. G. S. White.]

that unless houses are built soon and in sufficient numbers, the present policy of rental and eviction control will materially contribute to inflation.

Many veterans and others find it difficult to obtain building material, yet there are no shortages, at least in Ontario, of building material for garages, summer cottages, theatres and buildings of that type; one has only to look at the pictures published in the Toronto papers to see that a large number of garages, theatres and buildings of that type are being constructed.

The speech from the throne made no mention of any reduction in the income tax, but the estimates tabled on Tuesday of this week may be some indication that relief will be afforded to the income tax payer in the lower brackets. The small reductions announced in the 1946 budget and made effective only in 1947 were trifling when one considers the reductions already made in the United States and the still further reductions proposed. For example, we find that in 1947 an unmarried person—and I particularly refer to an unmarried woman—must pay this most excessive tax on all income over \$750. In the city of Toronto the cost of board, street car fare and laundry amounts to at least \$750 a year. Thus we find that once the bare necessities of life are paid for, the unmarried woman must pay income tax beginning at twenty-two per cent on income over \$750, which percentage increases rapidly as the income rises.

The provision in the 1946 budget by which a married woman cannot earn more than \$250 a year without reducing the exemption allowed her husband is in large measure responsible for the present shortage of nurses. This matter was referred to in detail by the hon. member for Lanark (Mr. Blair) the other night. During the war years many married women who were registered nurses were prevailed upon to return to their profession, and they did so; but from the first of January, 1947, many of these women refused to work any longer in hospitals. In my opinion the minimum allowance for a single person should be at least \$1,200 a year and the minimum allowance for a married man should be \$2,000 a year, with increased exemptions for children.

I would point out to the Minister of National Revenue (Mr. McCann) that the provision with regard to medical expenses is most unfair, because the only exemptions allowed are for amounts in excess of four per cent of the taxable income. I suggest to the minister that all medical expenses be allowed as a deduction.