Store No. 3, was found to have 10 items over, overages ranging from 1 cent to 7 cents.
Store No. 4 revealed 12 items over, ranging from 1 cent to 13 cents.
Store No. 5, 2 items only were over, both 1 cent.
Store No. 6 had 10 items over, ranging from 1 cent to 10 cents.
Store No. 7 was found to have 10 items over, ranging from 1 cent to 4 cents.
Store No. 8 had 22 items over, ranging from 1 cent to 5 cents.

The comments are of interest and are in part as follows:

Our investigator reports that the merchants adopted a rather independent attitude until he pointed out that certain of their merchandise was still under control and that the board held that it was just as serious to violate its orders today as it was at any time during the years of the war. These merchants, either by intent or accident, claimed that they were not completely familiar with what merchandise was still under board control. Our investigator rather came to the conclusion that these merchants generally were taking what the traffic would bear, feeling perhaps that they were a long way from board investigators, more particularly during the winter months.

The investigator expressed the hope that the merchants, after having the matter brought to their attention, would co-operate and bring their prices in line with the prices they should have been charging.

I think hon. members will appreciate the local resentment there is if a person has to pay 15 cents for a commodity that should be selling locally at 10 cents to give the local merchant the necessary spread to cover rent, taxes, wages and all the other items. It will be extremely difficult to check on the individual cases where commercial rents are to be increased across the country. In the United States a year ago there were two interesting hearings in connection with rent control. The senate committee heard a great many witnesses. I should like to mention particularly some of the evidence given by J. B. Carey, secretary of the Congress of Industrial Organizations. He drew attention to the fact that representatives of the landlords were there and tried to present a case for the removal of these controls, but he reminded the committee of what happened during the ten-day period between July 1 and July 9, when 3,500 rent increases were given and 1,395 eviction notices were reported in Kansas City alone, and three out of ten of these cases showed rent increases of more than fifty per cent. Mr. Carey submitted documentary evidence to show that between 1939 and June 30, 1946, landlords' net operating income from residential rents had gone up from 35 to 40 per cent, but rents from commercials had gone up by 120 per cent.

[Mr. Nicholson.]

Before the committee on banking and currency of the house of representatives the late Mayor LaGuardia of New York gave some interesting evidence. He said:

Gentlemen, I want to appeal to this committee with all the earnestness I can muster to continue rent controls, unhampered and unrestricted, for at least another year . . .

It is absolutely necessary to do three things. One, preference to the veterans must be continued, and I will tell you why in just a moment. Secondly, we should not remove but enlarge the present provisions on priorities and absolutely restrict the use of any building material for any other purpose, except emergency repairs, until 1,500,000 dwelling units will have been constructed. . . .

Why should we have preference for the veterans? I think the gentleman here on the right said there were 14,000,000 veterans. They are the largest group of young families in our country. Most of them were married during the housing shortage. The greater percentage of the veterans' families have never had their own home, and certainly never had a proper, decent, sanitary, cheerful place to live in.

They are becoming discouraged, demoralized. They are splitting up. The birth rate is going down. You cannot ignore these conditions, gentlemen. All the talk of the chambers of commerce and the real estate boards and the landlords is not going to cure the situation. They are concerned with returns. We are concerned with the happiness of the American family. . . .

I was very much amused by my neighbour, just a moment ago. He asked for a 15 per cent increase. But, he says: "Give the veterans an exemption. It wouldn't apply to them." We would have our veterans sleeping in the park.

Point to one landlord—just one, that is all I ask—who has a choice between a 15 per cent increase from a non-veteran and a 15 per cent less rent from a veteran who would give the preference to the veteran. Show me one. . . .

Gentlemen, did you ever go to a fire? I did. I don't like it, gentlemen. When you walk into a burning tenement and hear the cries of children and people trapped in there, and then you witness their charred bodies being removed —and those are the conditions that exist today in my city, and more so now in every other large city in this country. . . .

Without rent control, gentlemen, the situation will go wild. There will be 15, 20, 25 per cent increases. There will be a shifting of tenants. The evictions will get beyond control and we will reach the stage such as we met in 1932, I think it was, where marshals all over the country could not sell foreclosed farm lands. And any time a situation is created which brings about defiance of law, or resistance to the enforcement of the law, then you have a very serious situation and we must avoid it.

I realize, Mr. Speaker, that it is too late to do anything about the government policy so far as it affects commercial rentals, but I hope it is not too late to appeal to the government to refrain from removing any more of our controls until the committee has studied the problem carefully, and especially to continue domestic rent control until our present housing situation has been alleviated. I realize