

Supply—National Revenue

to determine whether the \$1,000 rebate procedure should be retained in different cities. The corporation, through its staff and advisers, were also kept aware of market conditions not only in Vancouver but in other cities. In May, 1963, to encourage the sale of the Fraserview houses to veterans, a team of corporation appraisers was appointed specially to look into the Fraserview situation. They recommended the removal of the rebate. This is not surprising, because the five year period had elapsed, even in the case of British Columbia, in the period 1954 to 1959. They also recommended a reduction of \$600 in the sale price of basementless houses.

But I would point out that in the same report that was made in the late spring of 1963 it was shown that existing rents were substantially below the level of houses of that quality in that part of Vancouver. On July 25, 1963, the \$1,000 rebate was removed from the sale of these houses and the prices of the basementless units were reduced by the \$600 recommended by the corporation's appraisers. However, at the same time the corporation announced rent increases ranging from \$3.50 to \$11.50 per month to take effect on September 1, 1963. Following this representations were made on behalf of the tenants by several people, including the hon. member for Vancouver South. I believe representations were also made by the hon. member for Vancouver East, but I know they were made by the hon. member for Vancouver South. As a result of representations from several sources, the rent increases were deferred and the minister then in charge, the late Jack Garland, after consulting with the corporation and receiving their agreement in this regard, arranged for an independent appraisal to be carried out with regard to the rentals that should be charged and as to the values of these houses.

The appraisal company that was brought in was Bell-Irving Realty Limited, of Vancouver, the president of which is a distinguished veteran, Brigadier Henry P. Bell-Irving. He has a distinguished war record; he was awarded the D.S.O. and O.B.E., and fought in Italy and on the western front. The firm's appraiser, Mr. E. W. Palmer, was eminently qualified for the task he was asked to perform. He is an accredited appraiser of the appraisal institute of Canada, a senior real estate appraiser in the society of real estate appraisers, a fellow of the valuers institute of London, England, and a member

of the professional division of the realtors institute of British Columbia. He is considered by all who know him to be a highly qualified specialist in this field.

The Bell-Irving appraisal confirmed the corporation's report of May, 1963, but recommended that further reductions should be made in the sale prices of two basic house types in the amounts of \$300 and \$500. The corporation immediately implemented the reductions recommended by this independent appraiser; they were implemented on June 1, 1964, and since that time I understand that another 50 or so houses have been sold. The effect of these adjustments was to establish selling prices that are in the order of \$500 to \$600 below current market values in Vancouver. I ask the hon. member for Vancouver East to keep that in mind. This shows conclusively that the prices at which veterans are now able to buy them are in the order of \$500 to \$600 a house lower than the current market value for that type of house. At the time these reductions were effected the corporation's board of directors reaffirmed the previously recommended rent increases that should have taken effect in September, 1963. They reaffirmed them to take effect on October 1, 1964. In June last notices to that effect were sent out to the 601 tenants. They were given until September 15 to signify whether they wanted to enter into a new lease at the increased rents. I might say that the increase in rentals is due largely if not entirely to an increase in grants in lieu of taxes being paid to the city of Vancouver. There is no profit in it for the corporation. The increases do not cover the added amount paid on the Fraser-view houses to the municipality. These rent increases range from \$3.50 to \$11 per month.

By the deadline of September 15, 419 of the 601 tenants had accepted, 38 had purchased their houses, 12 had vacated, leaving 132 not heard from. In the two weeks which followed, that is between September 15 and October 1, 59 more tenants made their decision and as of the close of business on September 30 the corporation then had 73 tenants from whom they had not heard. The corporation then sent out notices that since the tenants had not entered into these new arrangements they would be evicted. Of course this would not mean that if they had a good case they would be evicted; a judge of the court would listen to the reasons in any case coming before him. I have stated repeatedly that since this matter had been reduced to manageable proportions I was quite prepared to have the officials of the