

Q. I have a suggestion to make and I want to know whether you would be prepared to go this far with me. I would like to suggest to you that after all this remedial work is done and capital adjustment is made, if the veteran is still not satisfied I think he should be released on terms from his contract; and I think the terms should be that he should receive back his down payment subject to an adjustment, not of rent at the going rental but of the actual taxes and actual payments he would have made under the contract for the period. Are you prepared to go that far?—A. I am prepared to take that under consideration.

The CHAIRMAN: Who would have final say on that?

The WITNESS: That is a matter which I think I will be obliged to refer to the minister because there is a matter of important policy involved in it. On the other hand, we have a provision in the Act to have these cases referred to an advisory committee consisting of the district court judge as chairman, a representative nominated by the Canadian Legion and one representative of the director, to whom the facts of these cases could be deferred; and they might under the Act, I believe, determine conditions which these veterans should fulfil. Failure on their part to fulfil such conditions as laid down by the committee would authorize the director to proceed to regain possession of the property by lawful means.

By Mr. Cleaver:

Q. I can only speak for my own district, but I do know that as to the Queensway development, where you have something over 90 homes completed, there is quite a waiting list, and if there is any veteran who is not now satisfied there will be three or four others waiting to take that house off his hands. Can you see any reason why you should not relieve the chap who is dissatisfied on terms under which you will lose no money? If you are allowed to deduct from his deposit the actual taxes plus the actual payments that he would have paid under the contract had he signed the contract then you are in exactly the same position with respect to that house when you re-sell it at the same amount, exactly the same position as if this other chap had not intervened at all.—A. I would have one reservation on that. There are cases here and there where some of these houses are not being given any too good care by their occupants. We have encountered this sort of thing, that after doing a thorough tidying up job and refinishing and repainting there have been cases where veterans, according to their own lights, have seen fit to sublet a part of the house to take in another family and to set up a second housekeeping establishment in the place. The result is damage occurs to the house, and if it is going to be turned over to another veteran there is a redecorating job to do again. I feel in cases of that kind if we were to consider a settlement on the basis of the monthly payments he would have made had he signed the contract we should at least be entitled to some compensation for the cost of redecorating that house again for another veteran.

Q. I entirely agree on that, but leaving aside what I would say are exceptional cases and coming to the ordinary run of cases where a veteran has simply used the house for his own occupancy and has not brought in a sub-tenant, and the house is in reasonably good repair, can you see any objection to treating him in that way, because I noticed in the evidence somebody made the suggestion that the veteran should be charged the going rent, and the going rent was double the amount of the payment under the contract.—A. The reason for that was we felt some reasonable relationship should be maintained between the rentals being paid by a veteran in occupation of a V.L.A. house and the rental being paid by another veteran in a house constructed by Housing Enterprises Limited or owned by a private individual. Here is a veteran half a mile away, or closer than that, who is maybe paying \$50 or \$60 a month for three rooms