

Veterans' Land Act

Mr. Churchill: The statement I have to make will run for about 12 minutes, but I am sure there are other hon. members who will wish to comment on this subject because of its great importance and interest to veterans who have been settled on land in all the provinces of Canada.

The Veterans' Land Act has been in effect since 1942, and this is the fourth occasion since 1945 when action has been taken to amend its provisions. The last changes made to the act in 1959 were both important and extensive. Undoubtedly the major amendment enacted then was that which substantially increased the maximum amount of loan the director was authorized to advance, on a broader basis of security, to a full time farming veteran for the development and operation of an economic family farm unit. In general the changes made almost three years ago were aimed at bringing the lending provisions of the act into line with increases which had occurred over the years in land, building and other costs.

In the main, the purposes of the present amendments are basically similar to those of 1959; to assist qualified veterans to acquire farm or home ownership in keeping with their particular or changing requirements by expanding and increasing the financial provisions of the act. As compared with the situation following the amendments in 1959, study of the land and building costs involved in the recent settlement of veterans as small holders or under part II has established that the existing financial assistance available to such veterans is inadequate. It is proposed, accordingly, to increase from \$10,000 to \$12,000 the maximum amount the director may advance on behalf of an eligible veteran for the construction of his home under part II of the act. In conjunction with this increase it is proposed to raise from \$800 to \$1000 the minimum security in land or money which a veteran must furnish to the director before a contract is entered into.

Another proposal of a similar nature would increase the maximum loan presently available under part III to small holders and commercial fishermen from \$3,000 to \$4,800. In conjunction with this increase it is proposed to reduce the amount of contribution required of each such veteran to \$1 for each \$4 loaned by the director. At present the veteran is required to contribute \$1 for each \$3 advanced. The combined effect of both these proposals would increase from \$10,000 to \$12,000 the maximum amount available for the settlement of veterans as small holders and commercial fishermen, at an initial cost to each veteran of only \$200 more than the amount of the initial deposit and contributory payment he is now required to make.

[Mr. Carter.]

When related to the beneficial results of the government's action last summer to reduce to one half acre the minimum land requirement for small holding settlement, it is considered that these proposals to increase materially the maximum amount available for such settlement will facilitate and accelerate the establishment of many more thousands of veterans. From inception of operation to December 31, 1961, a total of 47,575 veterans had been settled as small holders. Of this number 1,814 have been approved for financial assistance in the first nine months of the current fiscal year as compared with 1,424 in the same period of 1960-61. Since the beginning of last July small holding settlement has been 45.9 per cent greater than in the same period of the previous year. Notwithstanding this increase, there remain over 12,000 veterans who are already qualified for this type of settlement but who, in the majority of cases, have been precluded to date from actual establishment due to insufficient funds and because of the difficulty they previously experienced in acquiring land of adequate size to meet the minimum required.

A further measure of considerable benefit to small holding and commercial fishing veterans will be contained in a proposal to enable the director to make additional loans under part III to such veterans who are already settled. Since part III came into effect in 1954 it has been possible to make loans thereunder to small holders and commercial fishermen only at the time they were being settled. It was believed that the additional financial requirements which veterans already settled might have for effecting alterations or additions could be met under the provisions of part IV of the National Housing Act. While many loans have been so made, the arrangement has never been considered too favourably by veterans, and has presented certain administrative difficulties.

At present there is more than one maximum amortization period. All repayable contracts relating to land and buildings under part I can be extended over a period not in excess of 25 years. This same maximum term applies to loans made to small holders and commercial fishermen under part III. However, part III loans advanced to full time farmers may be repayable over a period of 30 years. The bill will propose amendments to various sections of the act to increase the maximum repayment period to 30 years.

The major changes made in 1959 to the farm credit provisions in part III of the act have been well received and, as anticipated, have enabled a considerable number of full time farming veterans to extend their enterprises to sound economic proportions. From