

Q. Just confine yourself to my question. You make an allegation in this resolution that you could not get credit on a bill of lading. Then you illustrate that by a case where a man could not get a bill of lading and was refused credit because he could not load the stuff?—A. Just a minute; we also say—

Q. Just confine yourself to that question. Is that not an improper statement?—A. No.

Q. All right.—A. We illustrate one point of the resolution, and that one point of the resolution was refusing to advance credit on stored wheat. This was the stored wheat illustration.

Q. And bills of lading.—A. "In 1910 we urged upon the federal government that steps be taken to have the banking laws so revised as to enable the farmers to develop the country by securing credits at reasonable rates of interest and on longer terms of repayment. As no action was taken by the federal government upon that resolution farmers began to see the futility of negotiating with the federal government.

In 1913 a resolution was presented demanding:—

That the provincial government should, without further delay, formulate a scheme whereby a farmer may obtain from the security of his land, money at a lower rate of interest than is now charged by the existing financial institutions.

As a result of that resolution and continued pressure, the provincial government in that year, 1913, appointed a royal commission of inquiry into agricultural credits. The commission held sittings in Canada and proceeded on their inquiry to the United States and many European countries.

Their report was filed with the Saskatchewan government on October 13, 1913, and we recommend that report for perusal by your committee, because it showed that even at that time agriculture was in a precarious position, largely through an unjust and expensive banking and credit system.

On page 65 of the report it states that:—

All thoughtful citizens will regard the present situation as calling for serious attention,

and on page 216 we find that in the opinion of the commission,
present banking system is inadequate.

And, incidentally, the Minister of Finance, the Hon. Mr. Dunning, was on that commission.

Hon. Mr. HANSON: He was afterwards Minister of Finance in the Federal government.

The WITNESS: Yes, Minister of Finance in the dominion government. I will skip the next paragraph.

In spite of continued refusals by governments to take action necessary to meet our just requirements, we nevertheless continued with the task to secure credits at lower interest rates. We recommended amendments to the Bank Act whenever same was before parliament for revision. In this effort we were ably supported by farm organizations in other provinces. We have repeatedly requested that the Act be amended and necessary legislation be enacted which would make possible that municipalities and provinces obtain credit at cost by placing securities with the Dominion Finance Department....

I suppose we could include there "or the Bank of Canada".

...and had requested that the Bank Act should provide a penalty when banks charge more than the interest rate established by law and contained in the Bank Act.