

land, and that only cases which had gone before the Farmers' Creditors Arrangement Act tribunal prior to September, 1939, should be taken into consideration. Finally, the special committee placed in the recommendations a further suggestion, and that suggestion was in behalf of such soldier settlers as may be recommended by the director, with the object, if possible and practicable, of establishing an equity for the settlers. That leaves it entirely up to the minister, and I think the minister should give us some assurance to-night that it is the intention of the government to see that these men who, after spending twenty-two years of their lives on these farms, have, through no fault of their own, but largely through weather conditions, to-day no equity in their lands, be given some consideration.

I have here a whole series of cases. I do not intend to quote any more of them, but one case I have is typical of many others in western Canada. It is one wherein payments are due this year, and the settler has an equity in his land of over 50 per cent. He owes a back payment of only \$150; yet this year the board, through their supervisor in the district, have asked him to sign a lease of the land. This man objects strenuously to that, and it is very unfair. There may be cases, where men have no equity, where they have been delinquent in their payments, that such a procedure may be necessary, but to take it as a matter of course against settlers who have tried for twenty years to meet their obligations is resented by these men.

The recommendation of the special committee with regard to interest was that the rate should be reduced to 3½ per cent to all men who served in either this war or the last. I think that is a very fair recommendation. As a matter of fact, it is not costing the government any more to do that to-day than it cost them in 1920 to have an interest rate of 5 per cent. In that year, when the government borrowed the money with which to establish returned men under the old Soldier Settlement Act, it cost the government 5½ per cent interest and they lent it to the settlers at 5 per cent. To-day the government are borrowing money at 3 per cent, and they propose to loan it to the settlers at 3½ per cent. If they proceeded on the same basis as they did in 1920, settlers would be getting that money not at 3½ per cent but at 2½ per cent.

The minister should give us some assurance that these old soldiers will be dealt with on at least an equal basis with the men who return from this war.

Mr. CASTLEDEN: Has the department taken into consideration the fact that these men who are on these farms now gave of

their best in 1914 and 1918, that the exposure, the wounds and the conditions of army life which they underwent in the last war have impaired their health, and whether what they have done for their country is deserving of any recognition at this time? The policy of this department and the director seems to be to send out their inspectors and take the last dollar from these men. That scheme has been a miserable failure.

Mr. CRERAR: My hon. friend makes that statement, but what proof has he that the inspectors go out and take the last dollar from a man? It is not the case. My hon. friend is making a statement which is wholly inaccurate.

Mr. GRAYDON: "Inaccurate" is unparliamentary.

Mr. CASTLEDEN: Well, I have seen men who were burnt out, forced to sign a quit-claim deed and turned off their farms. I recall one case of a man at Springside. He stayed on that piece of land for a number of years, his son helping him. The son enlisted in the navy. Later his ship was lost; the father no longer had any help on that farm. The inspector came round and said, "You had better sign a quit-claim deed." The man was put off and got no equity; he is now living on a farm of charity. The small number of men who have been successful in getting title to their lands is ample proof of the failure of the administration of this scheme. To-day at an advanced age these men find themselves unable to carry on any longer; their equity is gone; and apparently no consideration is given to the fact that they have paid and paid, year in and year out. I understand the department valued a number of farms in 1941.

Mr. CRERAR: In 1940 and 1941.

Mr. CASTLEDEN: What is done in case the new valuation is less than the debt that is against the land?

Mr. CRERAR: It goes before the board of review under the Farmers' Creditors Arrangement Act, and the debt is adjusted accordingly.

Mr. CASTLEDEN: Would it not be considered right that in case the board values the land at a certain amount and the debt is more than the valuation of the land, the debt ought to be reduced to the value of the land as fixed by the board?

Mr. CRERAR: That is precisely what the board of review does. If a man has a debt against the land of \$5,000 and the board says the value is \$3,000, it is put at \$3,000.

Mr. CASTLEDEN: The debt is put down?