

I doubt if this scheme will play a very large part in the business organization of the farmers of Ontario.

The third Act, to finance agricultural development, authorizes the Treasurer of Ontario to borrow money by means of deposits in any amounts from any person or corporation and to open offices for this purpose in such parts of Ontario as seem to him wise.

In so far as this Act affects agriculture, it provides that the money raised in this way may be available:—

- (a) To make loans to members of associations under the Ontario Farm Loans Act; and
- (b) To purchase bonds or debentures issued under the Agricultural Development Act.

By this Act, savings bank deposits are made available through the Agricultural Development Board for agricultural purposes.

It has resulted in a considerable share of the savings deposits in Ontario going to the Government.

### Manitoba

In the Province of Manitoba, three Acts respecting Rural Credit have been passed and are now in operation. One of these, "An Act to Foster and Encourage Agricultural Development by Providing for Loans upon Farm Mortgages at Reduced Rates of Interest", is a long term mortgage scheme; the second, "An Act Respecting Rural Credits," provides machinery for the making of short term personal credit loans; and the third is entitled "An Act to Encourage Savings, to Authorize the Borrowing of Such Savings and the Issue of Securities Therefor."

#### Long Term

Under the first Act, there is established in the province a body corporate under the name of the Manitoba Farm Loans Association, to which, from the management point of view, is given all the general powers of a financial corporation.

The affairs of the Association are managed by a Board known as the Manitoba Farm Loan Board, consisting of five members appointed by the Government. Of these members, one, the Commissioner of Manitoba Farm Loans, is directly appointed by the Lieutenant Governor in Council and at pleasure, one may be nominated by the Union of Municipalities of the province and one by the Grain Growers' Association. The period of service is designated by the Lieutenant Governor in Council. All the expenses, including salaries, together with all other proper expenditure incurred by the Board, must be paid out of the funds of the association.

#### Capital Stock

The capital stock of the Association, which was originally \$1,000,000, is now fixed by an amendment to the Act at \$550,000, divided into 110,000 shares of five dollars each. These shares can only be owned by borrowers on farm loan mortgages under the provisions of the Act, and by His Majesty in the right of the Province. Every borrower must purchase capital stock of the Association equal to five per cent, of the value of the desired loan, the same to be paid in cash or deducted from the loan. The certificates of shares issued are not transferable, unless the property on which the mortgage is held is sold, in which case the shares may be transferred with the sale.