

resented, perhaps, having made probably a payment of only one-third or one-half of the principal in the meantime. Naturally this leads to discouragement and when we are spending a good deal of money to get new settlers into the country such a situation merits attention. I discussed this very fully with the provincial governments, and asked their opinion about the advisability of a departure of this kind, because I look upon the school lands fund as more in the nature of a trust fund, if that could be said, than any other fund in connection with our natural resources. Therefore in every case where we are dealing with the school lands trust fund or with the school lands trust, I have always consulted the provincial government concerned. They are of the opinion that it is a wise provision, that it will tend to encourage and preserve the investment of hard working people; that it will encourage them to go and pay upon the acreage of land that they can work satisfactorily, and thus save the investment they have made in perhaps a larger area when they felt they were in better circumstances. That is all this provision is intended to do.

Coming to the question my hon. friend has raised, namely, that it will encourage speculation, I do not agree with him. Most of the farmers and the land owners in western Canada are looking more for a way to get out of their speculations than to get into any more ventures of the kind at the moment. I have no particular objection to confining this arrangement to only bona-fide farmers living on the land although it will add to the difficulty of administration. I can assure the committee my sympathy does not go out at all to the individual speculator. No matter how sick he may be to-day of his investment he bought that land for speculative purposes; he did not buy the land for farming purposes, but intended to make a profit out of somebody else who would carry on farming. But however, in most cases the speculator has disappeared, and we have cancelled his holdings and confiscated his money. There are, however, a very large number of people whom this arrangement will help very greatly indeed. I have in mind probably a hundred cases at the moment of persons who have made applications that seem to be of a bona fide character. It will be a material advantage to those people to be able to cancel a portion of their purchase and apply the payments they have made on what they propose to retain. I give the committee an assurance that if we carry this out with the consent of the provincial government there cannot be very

much chance of illegitimate advantage being taken of it.

Mr. SPENCER: I suppose any lands relinquished under this act will be sold by public auction?

Mr. STEWART (Argenteuil): Oh, yes, under the act they have to be resold by public auction.

Mr. GOULD: I think the legislation contemplated by the section is really good and necessary. I am sure the settlers in western Canada are not now, and never have been, desirous of having speculators in their midst; and any speculation that has taken place in the past in the purchase of school lands I am afraid has caused the settler to pay more in the case of the initial price than was necessary. That is one reason why individuals living upon the land find it more difficult to meet their obligations than they would had the speculator never entered the locality. Legislation of this character is in the interest of the farmer having boys of ten, twelve, fifteen or seventeen years of age. Naturally he is very desirous of increasing his holdings so that his boys may settle in his immediate locality. It is a perfectly legitimate thing for a farmer to go out and purchase land upon which he contemplates settling his sons in the future; but sometimes, owing to circumstances over which he has no control, he is unable to meet the obligations he assumed when he first purchased the lands. The proposed legislation will enable farmers, if they wish, to reduce their holdings, and provide their sons with land in the same area where no homesteads may be available. Consequently we know what is going to become of the boys. I am speaking now of my own experience, because I have myself indulged in a speculation in land to provide for my boys growing up. If I had not succeeded in establishing a little area around my own home, possibly my boys would be gone. As it happens, they are all there now, every one Canadian-born, and they intend to stay there. But they depended upon the old man to make the first start in establishing them in western Canada.

Mr. BROWN: I am one of the very last men in the House to plead the interests of the speculators, but I can see where this or similar legislation is very necessary. I am quite satisfied there are many cases in which men purchased larger amounts of land than they are now able to pay for, and did it in perfect good faith, the result of a failure to pass such legislation as this would inevitably be that these