

Supply—Soldier Land Settlement

amount of interest overdue, and exactly how Prince Edward Island compares with the other provinces in the matter of payments. I feel sure that I shall not be ashamed of the comparison, because I know that nearly all the soldier settlers have been doing very well indeed in our province.

Mr. FORKE: I might point out to the hon. member for Red Deer that out of 15,225 settlers who had payments due last year, 5,747 paid in full. I question whether the average farmer in western Canada made a very much better showing than the soldier settlers in that respect. These were soldier settlers actively engaged on their farms:

Sir GEORGE PERLEY: Is the amount in connection with the general land settlement advances required for the arrangement with the empire settlement board?

Mr. FORKE: It includes the major part of it. The general land settlement board is really the colonization end of the department.

Mr. GARDINER: The minister stated that \$770,000 odd would be spent for administration purposes. Does he realize that this amounts to over \$56 for each settlement account?

Mr. FORKE: The administration expenses amount to \$775,000.

Mr. GARDINER: That is a little over \$56 for each active account. I submit that under the circumstances there is something wrong with the administration, and the minister should look into it.

Mr. FORKE: Last session there was some agitation to place the soldier settlement board under the Civil Service Act. Before this was done it was decided to have a thorough investigation into the work of the board. This investigation is being conducted by the audit department. As soon as I receive their report I shall be in a better position to judge whether the overhead is too heavy and whether something can be done to simplify the administration. In the meantime I think some injustice is being done to those employees of the soldier settlement board who have been ten years in the service but are not entitled to superannuation. They are doing their work quite efficiently. Next session I hope to be in a position to submit plans for carrying on the organization and placing those employees who intend to remain in the service in the position to which they are entitled. At that time if there is to be any elimination it can be carried out. The investigation to which I have referred

[Mr. Jenkins.]

is being made for the sole purpose of ascertaining whether this is the most efficient system for carrying out the work. It must be remembered that the government has \$77,000,000 at stake; therefore it is advisable that the department should be properly administered.

Mr. ADSHEAD: Are there not efficiency experts in connection with the audit board?

Mr. FORKE: They are under the finance department.

Mr. CAMPBELL: Has the minister received any representations from the Saskatchewan association of rural municipalities regarding the payment of taxes on soldier settlement land?

Mr. FORKE: Yes. The taxation question has been a very difficult one. The hon. member will perhaps recall that some years ago when this question first came up I viewed it from that corner of the house as one on the outside.

Mr. GARDINER: Now you are on the inside.

Mr. FORKE: After I got inside one of my first resolutions was to clean up this taxation problem if possible. I realize the injustice which the municipalities are suffering, and I think I have made a fairly satisfactory arrangement. I notice that at the last convention of the Saskatchewan association the president said:

In viewing the situation during the past year we find there has been a wonderful improvement in the payment of taxes on soldier settlement board lands, a fact for which we acknowledge our appreciation. The present policy outlined by the board is that all 1927 taxes on purchased patented lands acquired by the board where settlers are in possession were to be paid during 1928 with 6 per cent simple interest. Taxes on this class of lands after that date will be paid before due date, if possible, but in case arrears occur statutory penalties will be paid. The board are paying the taxes on abandoned lands leased to civilians where the amount of revenue is sufficient to pay taxes in full. Where the revenue received is insufficient, the board will apply amount received on the taxes.

I direct this to the attention of hon. members:

The board are also paying taxes on crown lands that have been acquired by the board where the settler has remained in possession continuously. If this policy is adhered to in its entirety, there should be no more question about payments of penalties in the future.

The secretary-treasurer reported to the convention: