

\$3,373,890.87; there were arrears of \$2,065,151.67; there was paid on account during the past year \$881,705.63—or 26 per cent of the current payments falling due.

Mr. SPEAKMAN: Is that the general percentage as applied to all three classes?

Mr. GORDON: That applies to the soldier settlers only. With respect to the three thousand British family settlement scheme, the current payments falling due amount to \$850,487.33; arrears, \$652,910.23; total, \$1,503,397.56. The payments on account during the past year amount to \$91,548.94—or 18 per cent of the current payments falling due.

Mr. SPEAKMAN: So the soldier settlers have done rather better than the others, I suppose on account of the deductions that have taken place with regard to the soldier settlement farms.

Mr. GORDON: It would appear that the soldier settlers have done better than the others by just the difference between 26 and 18 per cent. That in a measure is due to the remedial legislation, and also to the fact that they have been longer established on the land than the British family settlers.

Mr. SPEAKMAN: What were the total advances made by the Dominion government on this whole scheme; the amount paid, the amount deducted by way of legal exemptions made during those different years, and the total now outstanding as the whole investment?

Mr. GORDON: As of December 31, 1931, the gross loans, including interest, totaled \$137,882,141.98. From that should be deducted land transferred to the British settlement scheme, \$8,431,234.51, repayments of \$47,657,960.27, legislative reductions—that is the remedial legislation to which I made reference—\$21,721,976.52—making a total of \$77,811,171.30. That deducted from the \$137,882,141.98 leaves a balance of \$60,070,970.68. Then there were losses on resale of reverted properties, \$10,565,913.42, which should be deducted from the amount just mentioned, leaving a balance of \$49,505,057.26. The British family settlement loans amount to \$13,878,170.64. This makes a present net investment by the country, \$63,383,227.90.

Mr. SPEAKMAN: There is one point in these statistics that I do not quite follow. I understand the total advances made, including interest, represents the country's original investment in the entire scheme of about \$140,000,000, that something like

\$48,000,000 has been repaid, including interest. The minister will have noted from the records that in 1922 interest exemptions were granted, running over two, three or four years, according to the length of time of the men on the land, amounting I think to \$10,000,000. I was chairman of that committee at the time. That apparently is not taken account of. Should not that \$10,000,000 of exemptions have been added to the \$137,000,000 of total investment, and then deducted just as were the other deductions? Because undoubtedly the country will be paying interest upon the equivalent of that \$10,000,000.

Mr. GORDON: The amount referred to is not included in the \$137,882,141.98. It would have to be added.

Mr. SPEAKMAN: It should be. It was an exemption just as much as the \$121,000,000. I shall have something to say later on the general policy.

Mr. GORDON: I am instructed that the amount never was charged up to the advances. Strictly speaking, I think it should have been.

Mr. SPEAKMAN: Yes.

Mr. CAYLEY: I have heard some complaints from the municipal councils that they were unable to collect their taxes on abandoned farms. Is any provision made for the payment of such taxes? I have in mind some of these veterans who have undertaken farming operations, and have done well, but under present conditions they find their taxes are a very heavy burden. Some have reached the condition where they are likely to have their chattels seized for taxes. In order to keep these well qualified farmers on the land, is the government extending them any assistance?

Mr. GORDON: The question of taxes on these lands of course always has been a problem, because under the British North America Act, if I remember correctly, such lands would not be subject to municipal taxes. With respect to the settlers themselves we have adopted the policy that where a settler is desirous of staying on the land, even in these times when he is having a difficult struggle, he will not be disturbed and the government will take care of his taxes, making the advance to soldier settlers as the act contemplates in order to tide them over this period.

Mr. CAYLEY: Then all he needs to do is to make application for the advance?

Mr. GORDON: If he makes application to the district office for an advance for his taxes, the officer will very likely know all the man's circumstances, and if the settler is making