related to the man who owns his land. We say: "We will lend you up to that amount and we will lend you for improvements and for stock, but we will not lend you on your land alone beyond the $2,500 fixed by the 1917 Act merely for the purpose of clearing off encumbrances—that is loan company work." So the man who owns his land can get advances up to $5,500, but only to the extent of $2,500 on the land as then valued. I think that is a fair division to make; in my opinion we ought not to go any further.

At six o'clock the Committee took recess.

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## After Recess.

The Committee resumed at eight o'clock.

Mr. MAHARG: Mr. Chairman, we were discussing the point as to whether a larger amount than $2,500 should be advanced to pay off a previous loan. I think it is very desirable that this amount should be increased. While the minister states that the primary intention of the Act is to create new settlers, yet I think it is just as essential to retain the old settlers—in fact, possibly it is just a little more essential. Had we been able to retain all the settlers that went on the land in the past, we would be in a much different position to-day. A number of these men went overseas with loans against their land, and, during their absence at the front their farms have been more or less neglected in a great many cases. The loan companies are pressing for repayment, and the men are unable to meet the companies' demands. The conditions of these repayments are rather burdensome, the interest almost invariably being 8 per cent, and in some cases even 9 per cent, I am given to understand. I do not think the minister could do better for those men than to increase this advance sufficiently to wipe off encumbrances. It might be increased up to $3,500, or just as high as the loan to be advanced to the soldier who is purchasing his land.

Mr. MEIGHEN: The argument, or course, is very strong on behalf of those men who have been compelled to let their interest get into arrear because of their being overseas; but the dangers are very great, because it would mean that we are using for loan company work money that might be used to get settlers. I would be prepared to let the clause stand so that I might give a little more consideration to the possibility of extending it somewhat. I do not think it would be at all the part of wisdom. though, to put those men on the same level with the men who are actually being placed on the land by the board.



Mr. MAHARG: In all sincerity I think that these men are entitled to even greater consideration. Those are the men who made the sacrifice in the first place. They left their farms at the mercy of other people in hundreds of cases, and, to my mind, they should get first consideration.

Section stands.

On section 27—Forfeiture by settler of title to land when he is in default.

Mr. MEIGHEN: I wish to have that clause amended, to better express its purpose. Amended it will read as follows:

Notwithstanding anything in the Dominion Lands Act or in any other Act, in the event of a settler who is holding any Dominion land on which a charge has been imposed, constituted or created by or under this or the former Act (hereinafter referred to as "charged land") being in default with respect to the terms or conditions of any agreement of sale, mortgage or other document executed or made with or to the board, the minister, upon request made by the board, may declare the right, title and interest of the settler to or in such charged land to be forfeited, whereupon (and also in the event of the right, title or interest of the settler to or in such charged land becoming forfeited for default in performance of settlement conditions or for any other reason apart from the provisions of this section) the minister may declare the said right, title or interest of such settler, and also the right, title or interest of His Majesy to or in such charged land, to be vested in the Board, and it may thereafter, subject to the provisions of section twenty-one of this Act, in order to recoup itself for the amount owing by such settler and charged upon such land, sell, lease, exchange or otherwise dispose of such land to a settler, or, with the approval of the minister, to any other person; but if any surplus is realized beyond the amount required to recoup the board as aforesaid such surplus shall be paid by the board to the Department of the Interior for the Consolidated Revenue Fund.

Amendment agreed to.

Section as amended agreed to.

On section 28—No sale to any settler who obtained soldier grant, advance on his own land, or owns an average farm.

Mr. MEIGHEN: I desire to have this clause amended by inserting after the word "not" in the second line the following words: "Unless the minister upon the recommendation of the Board, shall approve."

Amendment agreed to.

Section as amended agreed to.