

of the community—and it was here that the distribution of seed grain was made—is more valuable than far-distant homestead land. Our experience thus far would not lead us to believe that this provision will be a deterrent against the re-occupation of the land. We have had a number of cases where men were only too pleased, in fact volunteered, to pay off the seed grain indebtedness for the privilege of being allowed priority of entry. The land is valuable, though in some cases there are very few improvements. If the improvements were valued at \$300 and the indebtedness at \$400, the incoming settler pays the \$300 for the improvements in any case, and he is then called upon to pay the other \$100 in order to release the Government lien. As we have already had many cases where men were only too pleased to assume this indebtedness, I do not imagine this provision will be a deterrent to the re-occupation of the land, and if we do not have such a provision I fear that the country will be liable to a very serious loss.

Mr. OLIVER: I have no wish to put the Government in the position of failing to collect indebtedness that is due to the country, but I am compelled to take a view very different from the minister's in this matter. The minister speaks of the willingness of the incoming settler to pay off the seed grain indebtedness, and, I presume, the value of the improvements besides.

Mr. ROCHE: The indebtedness over and above the value of the improvements.

Mr. OLIVER: I do not gather that that is the wording of the section.

Mr. ROCHE: He would have to pay for the improvements in any case, and the amount he pays for improvements is applied on the seed grain indebtedness.

Mr. OLIVER: I do not think that is made clear in the section. However, the policy of the department is good enough in that particular. The minister speaks of these seed grain liens having been taken in thickly settled districts, where the land is of sufficient value in itself to make it a business proposition for the incoming settler to pay off the lien.

Under such circumstances of course that is the business way for the transaction to go through, but I am compelled to take the view that the large majority of those cases are not in the thickly settled parts, but are rather in the isolated sections, otherwise the men would not have abandoned

the land. The land is worth just as much to the farmer as it is to the incoming settler, as land or as a speculation, and inasmuch as no business lien can be held against the land there is no reason why he should abandon it. The outlying localities, where the pressure of settlement has not given value to the land, are where abandonment will take place largely, and where it is important that the Government should secure re-occupation of the land. In those localities it is very much more important to secure re-occupation and production of the land than it is to secure the repayment of the balance of the seed grain lien. I would not ask the minister to delay this section, because I think its purpose as explained by him is perfectly clear. I have made my protest against the view taken by the minister, and I am willing to have the section pass. At the same time I must contend strongly that the minister has made a statement of the case which, in my judgment, is not generally applicable, and it will not work out as he suggests, but will act as a deterrent to re-occupation and cultivation of the lands.

Mr. ROCHE: This legislation was intended to harmonize with our existing practice. I do not know that there have been very many cases of this character, but there have been instances where the applicant for cancellation voluntarily desired to assume the obligations for the sake of getting the land. The last distribution of seed grain was largely in the south, in the pre-emption area. As the hon. member for Edmonton (Mr. Oliver) well knows, many of those men abandoned the land because of getting into difficulties in other respects, for instance, because of a poor crop, or getting out of their depth financially, or because of indebtedness to implement dealers, merchants, or others. Personally I would not be in favour of throwing that land open and losing money, and the only other thing we could do would be to sell the land outright by public auction, to the highest bidder. It is much better to let them get the land free by assuming the seed grain obligation, rather than put it up at public auction with that obligation as the upset price. In the cases which have come before us so far we have been allowing this to be done. I do not anticipate the difficulties my hon. friend (Mr. Oliver) foresees in this regard.

Mr. OLIVER: I am aware that has been the practice in the past, and it is because of the instances which have come to my at-