

*Long Term Farm Loans*

have discretion as to whether under the operation of the act in the province the loan would be made through the local credit society, or the local coöperative society, or direct to the borrower.

Mr. ROBB: I think we must have uniformity. There must be some central authority to determine lines of policy for all the provinces. I repeat that the board will be quite likely to listen to the advice of the local boards, but there must be in the last analysis uniformity in the act. I think it is well to leave the central power there. My hon. friend is acting on the assumption that the central board is going to be antagonistic to this whole scheme. I do not look at the matter in that way.

Mr. GARLAND (Bow River): Not at all.

Mr. ROBB: I think the central board will be fairly sympathetic to the scheme.

Mr. GARLAND (Bow River): The minister misunderstands my point. No one entertains a greater degree of hope than I do that the federal board will be completely sympathetic, but the minister's last statement makes the provision worse. He says that uniformity is essential. Now at that I frankly throw up my hands in despair and say it cannot be achieved. There are provinces that are not prepared to undertake the organization of local coöperative societies for the administration of loans through this bill. On the other hand there are provinces that are prepared to do it in every way. How are we going to secure uniformity?

Mr. ROBB: I admit the point, but they will be the men to put their O.K. on it.

Mr. GARLAND (Bow River): Then under subsection 3 of this section the federal board will be advised to consult the administration board in every province with respect to the manner in which these loans should be made.

Mr. ROBB: I am speaking now as the minister in charge of the department, and that is the advice I shall give to the central board. I do not hesitate to have that go on record as the view of the government.

Mr. GARDINER: I think the minister is somewhat mistaken in regard to the attitude he has taken with respect to this particular clause. If he reads subsection 3 very carefully he will see that it states:

Whether loans shall be made directly to farmers or through local coöperative societies, [Mr. E. J. Garland.]

or both directly to farmers and through local coöperative societies, as the province may desire.

The local board in the province, I submit, would be able to recommend to the central board what method should be adopted in a particular province, and it would be natural that the central board should give its consent to what was thought advisable in a particular province. I think the point is already covered.

Mr. ROBB: I think my hon. friend's interpretation is right. The central board would listen to the recommendations of the provincial board.

Mr. STINSON: Should not a provision be added making the provinces liable for any loss that might be incurred within a province?

Mr. ROBB: I recall that last year that position was taken by some members of the Senate, but I prefer to have the bill as it left the House last year. I would rather not add such a provision to the measure.

Mr. WARD: Subsection 6 in the fourth line reads:

That in case of an adverse report on the operations of any provincial board by the auditors of the board, or should any provincial board refuse to enforce in a satisfactory manner the regulations and directions of the board, the board may after conference with the said provincial board relieve such provincial board of its duties—

And so on. If the provincial organization lives up to the act, why should any discretionary power be required on the part of the central board?

Mr. ROBB: Is this what my hon. friend has in mind?

—refuse to enforce in a satisfactory manner the regulations of the act—

Instead of, "the directions of the board."

Mr. WARD: "And" directions of the board.

Mr. ROBB: I am afraid that would tie up the board. We might find that a disadvantage later on to both the borrower and the lender. Let us leave something to the judgment of the men who are administering the act.

The CHAIRMAN: The minister has moved to amend subclause 3 of clause 8 by adding after the words "coöperative societies" in the 8th line the words "or recognized colonization societies." The suggestion has been made to the minister that the word "both" would have to be stricken out so that the clause might read properly.