

in each constituency to permit a farmer who feels he is aggrieved and not being treated as well as his neighbour to appeal the decision of the appraiser to the appeal board. This appeal board could consist of the county court judge, another farmer and a good businessman. They need only sit once a year during the summer period or the fall.

I notice, by looking at this book, in New Brunswick I do not think there are too many cases, unless they loosened up last spring. We do not have any complaint in respect of the term of forty years. I think it is a long enough period for anyone to have to repay a loan. I have never had any objection on that score. Also the amount, I think, is fair; but when a man applies for a loan of \$3 or \$4 thousand and the board comes back and offers him \$1,300 or \$1,400 or \$2,000, then there is something wrong with the appraisals. Even when the banks are lending a man without security considerably more than that, the board has turned down loans.

The whole trouble seems to be with the uniformity of appraisals. The question which I would like to ask is: are you satisfied with the the appraisal system which you have?

Mr. CHESTER: Are you speaking of New Brunswick in particular?

Mr. MONTGOMERY: Yes.

Mr. CHESTER: Right at this moment we have our chief appraiser in New Brunswick. He is there for a month and one of the purposes of his visit is to determine the questions which you have asked. We believe we have been fair, but we have had some complaints and we are in the process of checking on that.

I might say that the applications for loans which are declined in New Brunswick are all sent to the head office for observation before they are finally declined. At head office we treat these impartially and attempt, if anything, to favour the applicant. We have yet to see anything come before us which was declined where the appraised value had anything very much to do with it; generally, there are other circumstances which are quite involved.

I have corresponded with some of the members here and some have called me. We are perfectly willing at all times, within the limitations of the confidential nature of our business, to explain to you the reasons why we have taken whatever action we have taken. Generally speaking—I think I might say always—everyone to whom I have spoken in that regard has agreed we have had a sound basis for the decision which we have made.

Mr. MONTGOMERY: I would like to say I have been one of those who, I think, spoke with Mr. Chester over the phone, and as far as cooperation is concerned I could not ask for anything better. I want him to know I appreciate all the help he has given me.

There is another matter. Do you take into consideration the age of the applicant? I know there have been some cases in which I might agree with the board where a man of 45 or 50 years of age is involved. But in the case of a man 35 years of age, would his age be taken into consideration?

Mr. CHESTER: The age is taken into consideration; also his experience and ability as a farmer, his attitude towards debts, and his previous record of repayment of debts to others. Certainly it is not only the value of the farm upon which we make a loan.

Mr. MONTGOMERY: We have quite a few of our farmers who are not large farmers. They have perhaps 100 to 150 acres. They may have 50 or 75 acres in a wood lot of hardwood, some poplar, and a good farmer may regard that land as being just as important as cleared land. But I understood the board takes that very little into consideration when loaning money.