

- (a) an advantage to those with the greatest equity over those settled on marginal land or suffering other handicaps which had prevented them from substantially reducing their debt; and
- (b) substantial repayments to those who have completed their contracts.

Mr. Jones emphasized the improved position of soldier settlers during the past two years by pointing out that 92 per cent of the settlers in all grades have made payments on current instalments and a great number have made substantial prepayments.

With regard to widows of deceased soldier settlers, Mr. Jones said it is the policy of the Department to treat them with every possible consideration. He said widows of deceased soldier settlers are given every opportunity to carry on farming operations with the help of their families and in fact are given every encouragement to do so. Even where they cannot handle the farms themselves they are permitted to lease the land to neighbouring farmers in the hope that the rentals will carry the loan and give them some revenue or increase their equity. It is only where the situation appears absolutely hopeless from all angles that widows are encouraged to sell or abandon their farms.

### Section 13

#### BUSINESS AND PROFESSIONAL LOANS

The Interdepartmental Committee on Veterans Affairs examined representations by the Canadian Legion, the National Council of Veteran Associations in Canada to which was attached as an appendix a memorandum by the Toronto Reconstruction Council, the Citizens' Rehabilitation Council, Vancouver, Mr. John C. Thompson of Toronto and Mr. Robert Stennett, Toronto.

The Interdepartmental Committee invited the Canadian Bankers' Association to nominate representatives who would be prepared to appear, if necessary, before a Special Committee of the House of Commons on Veterans Affairs next session and who, in the meantime, would give evidence to the Interdepartmental Committee. As a result the Interdepartmental Committee was advised of the formation of a Committee of the Canadian Bankers' Association on Small-Business Loans to Veterans, composed of Mr. R. H. Turley, Assistant Superintendent of the Bank of Montreal, Montreal, and Mr. R. C. Blundell, Assistant Secretary of the Canadian Bank of Commerce, Toronto, and the Interdepartmental Committee heard Mr. Turley and Mr. Blundell who were accompanied by Mr. A. W. Rogers, Secretary of the Canadian Bankers' Association. The Interdepartmental Committee also examined Mr. J. H. Hogan, Acting Director, War Service Grants Act, Department of Veterans Affairs.

The Committee scrutinized also such informative material to which they were able to gain access, touching upon similar legislation in other countries and facts and opinions relating to the propriety of a loan plan for Canadian veterans.

Representations of the Canadian Legion contend that the Canadian rehabilitation program can only reach ultimate success if a condition of full employment can be maintained in peacetime and that there is a general conviction that small enterprises must be set up in every part of Canada as a necessary contributory factor to that end. The Legion recommends:

- (1) The use of the Industrial Development Bank Act to finance veterans to enter small businesses.
- (2) That the government develop a policy of fostering small enterprises, furnishing research, technical advice and assistance to enter foreign trade, and generally make available to small business what big business because of its large resources can furnish for itself.