

On section 2—Sale of school lands for right of way, etc.

Mr. SPENCER: It seems to me this is an excellent clause, and one that will make it possible for certain parts of school lands to be sold which were not possible heretofore. I notice that part of clause 2 says, "notwithstanding anything to the contrary in this act, the minister may sell school lands required as right of way for any project or for reservoir, church, cemetery or hospital sites," and so forth. Would that cover such buildings as community halls which are being built, as the minister knows, in various rural communities?

Mr. STEWART (Argenteuil): Yes, that is one of the purposes for which we have this clause. It is difficult to enumerate all the various purposes for which small plots of school lands might be required from time to time. I think the saving clause is that the consent of the provincial government is required; we did not have that in last year. While I am on my feet, I might explain that last year, as the committee will remember, we struck out the provision enabling the minister to sell right of way. We need that provision rather badly, because there are a number of cases in which railways have crossed school lands, and we are unable to give title. I have them here and could enumerate them; most of them are in Manitoba. I thought it well this year in order to create confidence in the minds of members of the committee, that before we did any of these things we should first secure the consent of the provincial government. I think we have provided enough safeguards to enable us to do all that we wish to do for this purpose. Of course in regard to general sales of school lands the provisions of the law will remain just as they are at present.

Mr. SPENCER: It will be possible for the department to sell a portion, say an acre or two acres, of school lands for a community hall and similar purposes mentioned by the minister?

Mr. STEWART (Argenteuil): Yes.

Mr. CAMPBELL: Is there any possibility of this provision being abused? Is there any possibility of private individuals other than those intended getting hold of portions of land under this section without proper safeguards?

Mr. STEWART (Argenteuil): No.

Section agreed to.

On section 3—Re-adjustment of school lands sales made prior to 1st January, 1923, and provisions as to application of moneys.

[Mr. C. A. Stewart.]

Sir HENRY DRAYTON: I think the minister should really give us a pretty full explanation of what he is going to do under this section. As I read the section it will enable the minister to switch credits practically as he will. It will enable a man who has got a whole lot of lands for speculation to have all his payments put upon one small portion of the property, if the speculation looks bad. It will enable him in other words to tie up a whole lot of land without risk to himself. Then if the speculation is a good one he will get all the benefit, and if it is a bad one the country will carry the burden for him. That is what it amounts to. If it were a case where the man was a bona-fide farmer it would be a different thing, but the section as drawn, as I see it, is in the interest of the land owner and not of the land worker. It is drawn in the interest of the speculator. It means that if a man goes in and buys four sections, for example, having use only for one, and makes a failure in his payments he can turn around and apply the payments made on all four in ease of one, and get his land free from loss; and as if the speculation were successful he would have the entire benefit. In other words we are now promoting real estate speculation.

Mr. BROWN: Does this not refer to deals already entered into and not to future deals?

Sir HENRY DRAYTON: I do not care whether the deals are entered into or whether they are not. The whole northwest is full of deals that have been entered into for speculative purposes. We know that land speculation there is one of the worst things we have had to contend with, and whether the deals be old or whether they be new I do not see why—the speculation having failed—the country should take the full burden of the failure, enabling the man who has failed in his speculation to get paid in respect of portions of land that he was unable to carry.

Mr. STEWART (Argenteuil): I may say that we never give any consideration to an individual who is holding school lands in a speculative way. There have been one or two cases in which some remission has been made and some of the lands cancelled; but this request comes for the purpose of trying to save the investment of a hard working farmer who has bought a section or half section of land and finds himself in the position where he cannot complete his payments. There are hundreds of cases throughout the three prairie provinces in which we find that after making very considerable payments the purchaser owes more money than the original purchase rep-