

follows beaten trails. It is evident that its author is not overburdened with financial and business experience and that his investigation was largely confined to collecting and compiling facts which are already available in book and report form in dozens of places quite close to home. His conclusions are neither very helpful nor original. He cannot apparently get far away from the discredited idea of government responsibility for business management, with its inevitable extravagance, stupidity and political bias.

In every agricultural country the world over where land credit is cheap and efficient, it is invariably based on the co-operative idea and with the minimum of government assistance or interference. It is rumoured that a bill is going to be submitted at the present session of Parliament, as a government measure, to provide a system of long-term rural credit. If so, it would be well for the authorities to "stop look and listen" before committing the country to any plan built upon the Dr. Tory specifications. We cannot afford to make mistakes in this important matter.

A WESTERN CRISIS

We have been messing around in Western Canada with a cumbersome, antiquated system of land credit ever since the earliest days of colonization. Interest rates have been much too high, although perhaps justifiably so. Our five years loans have been a nuisance to both lender and borrower. We have never even commenced to absorb the most elemental fact in lending, namely, that a lender will sooner sleep with a five percent return than lie awake with nine percent. And we have now actually reached the point where a mortgage loan can no longer be obtained. In other words, we are face to face with a crisis in our history. I do not mean to assert, that if nothing is done to provide a rational system of land credit the West will go broke. We have muddled along for so many years without it that we can doubtless survive even under this handicap. But I do assert positively that there can be no permanent prosperity in the West or stabilization of land values until this problem is solved, and that the agricultural development of this country will be enormously retarded, much to the detriment of Canada as a whole.

RAINBOW CHASING

Our statesmen have been bankrupt of ideas, our farmer-leaders have been too busy chasing rainbows to attempt any constructive thinking on this vitally important subject. The average farmer has been content to lean back and leave such matters to others. The various financial concerns have been carrying on a hectic propaganda against existing destructive provincial legislation without, however, arousing much

**POOR
COPY**

W.L. Mackenzie King Papers
Memoranda & Notes

**PUBLIC ARCHIVES
ARCHIVES PUBLIQUES
CANADA**