

- That by various methods unduly harsh tactics are used for collection purposes;
- That the settler's morale is seriously affected by the threats of foreclosure and resulting insecurity of tenure;
- That the original plan of properly supervised settlement has been largely impaired.

While the Committee fully realizes that the evidence taken does not by any means cover the relationship between all settlers and the Board, nevertheless, sufficient information was disclosed to warrant consideration as to whether existing methods and procedure are in the best interests of the Board and the settler. There was evidence of the use of severe collection methods in certain specific cases cited. The Committee is free to admit that after hearing all sides of the question, the attitude of the Board in at least some of these cases was justified. The Committee has no sympathy with, and asks no consideration for, a settler who makes no earnest attempt to meet his obligations. The Committee is also seized of the fact that some method for regular and systematic collection must be maintained, if the scheme is to succeed.

On the other hand, the Committee finds it difficult to escape the conviction that, having regard to the extraordinary powers possessed by the Board in the matter of seizures, cancellation, and foreclosure, the Board's methods in many cases have exercised an unfortunate effect upon the morale of certain settlers, who, under the most severe sort of difficulties, have been honestly endeavouring to do their best.

It should be explained that under the Soldier Settlement Act the Board has remedies at its disposal far more drastic than those applied in ordinary business practice. It is possible, under existing legislation, for the Board to institute and complete foreclosure proceedings in little more than thirty days. Moreover, the Board is vested with special powers of seizure and sale; and by statute is given preference over all other creditors. In this connection, it was made clear by the evidence that district offices of the Board are vested with the power to institute foreclosure proceedings, without reference to head office; and further, although notification of foreclosure proceedings is in all cases reported to head office, nevertheless, the district offices have power to complete the proceedings, unless otherwise directed from head office.

It is by no means suggested that the Board make a constant practice of giving full and actual effect to these powers. The Committee is convinced that the contrary is the case. It is, nevertheless, undoubtedly true that the threat to exercise these powers is widely used as a method of collection, and when it is remembered that such a large proportion of settlers are, in varying degrees, in arrears, and are therefore subject to these collection methods, the existing hostility towards the Board may be largely explained. The Committee can well understand that to an honest and well-intentioned settler, who, after many years of effort, finds himself unavoidably in default, the constant fear of summary cancellation must be demoralizing in the extreme. This situation was referred to by witnesses with considerable aptness as "insecurity of tenure." The Committee is convinced that this feeling undoubtedly exists in many cases and necessarily leads to apprehension and distrust, and in all probability acts in many cases as a deterrent to the settler's best efforts.

*Having regard to the foregoing, and also to the Committee's opinion previously expressed, namely, that in view of the fact that the scheme is essentially a re-establishment measure, carrying with it national responsibility, and in view of the length of time settlers have now been on the land, and also the serious difficulties attendant upon further re-establishment in some other vocation, the Committee recommends that cancellation and foreclosure proceedings, or the threat thereof, be not*