

upon the principle of co-operation, leaving the responsibility of the loans and their collection to those directly affected and concerned, not providing out of the treasury of the country moneys afterwards to be collected by the hand of the Government. Along these lines, briefly stated, the United States has proceeded and the Government is providing the funds which enable provision for a sinking fund..... I do not say that their system is wholly applicable to this country..... I do believe, however, that much can be learned from the example of the United States and that with such modifications as would be appropriate to a country much newer than theirs, their idea would likely be valuable here." (It would appear that Mr. Meighen has in mind a system practically identical with that recommended last year but not carried into the Bill introduced.)

Mr. Mullins (p. 255) urged lower interest rates and better banking facilities for the Western farmers. He did not, however, indicate his preference for any scheme.

Mr. Forke (p. 279) was also indefinite in his comments on this subject. He states that interest rates from 8% to 10% are impossible and that amortized loans at a lower rate of interest was essential.

Mr. Howden (p. 301) stated that the history of farm loans in Western Canada does not inspire much faith in the successful extension of a rural credits system. The whole matter requires to be considered with a very great deal of care and the system adopted hedged around with safeguards to prevent abuse.

Mr. Rogers (p. 336) dealt with the legislation undermining mortgage security in the Western Provinces and stated that but for this legislation interest rates in the West today would have been very much lower than they are. (In this Mr. Rogers is absolutely right. A life insurance company from the United States, just now coming into Canada for the first time, is interested in mortgage investment. I asked the investment manager yesterday at what rate they would loan money on Western farm property. He stated that if they went into the business at all they would loan at 6%, or possibly, on choice loans, 5½%, but he stated "We will not loan in the Provinces of Alberta and Saskatchewan at all for the reason that foreclosure is, by the provincial laws, made to depend upon the caprice of a judge.")

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