

populated country, where people who live on the land seldom or never leave it, will not work in this country, where our population is more scattered and more mobile.

In nearly every one of those schemes the principle involved is that of small combinations or syndicates made up of from 4 to 10 farmers, who join together and guarantee the whole loan, dividing it among themselves. The system is partially cooperative and partially governmental, the Government finding the money, and the men themselves making the arrangements as to what each man shall have, and how many will go into the pool to get the loan. While that may have worked very well in Europe, it is very doubtful if it would work well in this country; and while there is some evidence of the success of this rural credit system, or whatever you choose to call it, there is on the other hand quite a little criticism.

What I want to say about it is this. I would want to investigate this subject very fully, and go from step to step, because, after all, legislation is not entirely a matter of theory, but of experience. I read last winter a very interesting book written and published in 1572, during the reign of Queen Elizabeth, and the extraordinary thing about it was that it reviewed questions that we have been discussing in this Parliament during the past few years. Rural credit, farm banks, regional banks, and money at low rates of interest for small farmers were live questions then; and here we are to-day discussing the same questions. There is no reason why we should not have the benefit of all that experience if we are going to legislate on this matter; and to enter upon it now would, I think, be disastrous. There is no reason on earth why this Bill should not be introduced on the second day of next Session, and the question thrashed out from beginning to end and a wise conclusion arrived at. I have no preconceived ideas on the matter; but from the little I know of it, and the little I have read, I am inclined to believe in the theory of some of the wise men in the reign of Queen Elizabeth—that you cannot farm on borrowed money. That is true of the men I know who have been successful in this country, and some very interesting conversations that I have had with farmers from England pointed to the same thing—that the farmer, to be successful must be self-contained; he must not borrow money or hire labour. I asked one of these men, "Are you successful in farming?" He said, "No, I am not." I said, "Has farming in England gone to the bad?" "No," he said, "the man who lives alongside

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me is successful, and I am not. He has two boys; he borrows no money and hires no help."

This is an interesting subject; there is a tremendous lot of literature on it, and there has been a tremendous amount of experience; and I think we would be wise now to simply say that we are not going to express any opinion at all, but that if the Government will bring it before us on the second day of next session we will go to work on it and thrash it out.

Right Hon. Sir GEORGE E. FOSTER: Honourable gentlemen, from what little examination I have made into some projects, I am in sympathy with assisting farmers in the way of helping them to obtain loans which, for various reasons, they cannot very well get from the banks. But we need not go into that.

I think we ought to have regard both to our own standing as a Senate and to our reputation. We are supposed to be a co-ordinate branch of the Legislature. If we are of any use at all, our use is very largely in thoroughly examining into legislation which is submitted to us by the more democratic House, so to speak, and coming to the best judgment possible. We are judged by the country in proportion as we do our work, and do it well; and we cannot do our work well—we cannot do it all—if we are to be simply a rubber stamp. Twenty-four hours before the House is to prorogue a measure is brought to us by the Leader of the Government, who confesses that he has not yet been able to read it and has not been able to possess himself of an understanding and knowledge of it.

One may say that this Bill does not involve any expenditure of Dominion money, that it is only the credit of the Dominion which is asked for, and that the credit is to be given to the Provinces. But when you think of it for a moment you will realize that we should be just as careful in choosing the kind of proposition on which we lend money to the Provinces as we would be if money went directly out of our own treasury. This is an obligation. The very moment you lend \$10,000,000, it is an obligation of this Dominion. You may have from the man who signs the note the security of a very good farm; but nevertheless the amount is chalked up against your obligations and to that extent it interferes with and influences your credit.

There is no reason in the wide world why this Bill should not have been down earlier. I have often said, and I hope I will not have to say it again, that we must actually make a stand. So long as we, as a Senate, accept