

cided, having regard to the particular situation that exists in the West as to transportation and storage of grain, to permit the bank to loan to farmers taking as security a lien upon threshed wheat remaining in the possession of the borrower. That is a rather radical departure from the principle in the existing Bank Act. The advantages to the farmer will, I think, be not inconsiderable. A great deal of evidence was taken before the committee, and while many doubted whether the banks would make many more advances, or greater advances than they would have made had this legislation not been enacted, at the same time, I think I am stating it fairly when I say that the opinion was that this would be of advantage to the farmer of the West, particularly by reason of the difficulty which he has on account of lack of transportation and comparative shortness of the market season—that the banks would probably lend more money or lend the money more readily, and that by reason of the advances so made the farmer would not be obliged to sacrifice his grain by throwing it on the market when all others were doing the same. That is the reason for the departure from the principle that the banks shall not be the pledgees of borrowers all over the country. With regard to registration of such liens, when the Bill was first introduced there was no provision made for the registration. I think it was largely on account of sub-section 3 which it is now proposed to strike out that the committee decided, and I think wisely, that the lien should be registered, because in the case of cattle especially very serious questions arose as to landlords and creditors being prejudiced by making these liens without provision for registration. Again, the difficulties about registration are insuperable in the province of Quebec, whose population is from one-fourth to one-third of the whole population of Canada. These are the considerations which appealed to me in making the difference between threshed grain and cattle. I do not know whether they will appeal to my hon. friend, at any rate they are what influenced me in my proposal.

Amendment agreed to.

Mr. OLIVER: I desire to say a word with regard to sub-section 3 which my hon. friend has decided to strike out, I do not wish especially to take issue on the first point; I am willing to say that there is a great difference between the case of the threshed grain and the live stock. As long as sub-section 3 did not apply to the holder of live stock who operates as a mixed farmer, from my point of view there is no reason why it should be here at all. If the Government's policy from the start was that this section should not apply to the live stock of what might be called a mixed farmer, then I think its presence in the

Mr. WHITE (Leeds).

Act was undoubtedly objectionable, and it was much better to take it out. But while I admit that there is an important difference between the grain and the live stock, I wish to go on record as saying I cannot see any good reason why the man who is raising live stock should not have the advantage that this section on its face would have given him subject to the registration that is provided under sections 8 and 9. It is true that there are special conditions surrounding the raising of grain, they have not been enlarged upon, it is unnecessary; the section is agreed to. But there are conditions surrounding the raising of live stock particularly in the West which have been spoken of so repeatedly that I will not touch upon that again. The desirability of the people of the West going into mixed farming, going into the raising of live stock in connection with their grain operations, is so plain that it seems to me very remarkable that, having in hand the amendment of this Act, having in view the desirability of aiding the man who is exclusively raising grain, we deliberately refuse to consider the case of the man who is doing, or trying to do, the very thing that everybody agrees he ought to do, and therefore ought to be encouraged in doing.

Mr. SCHAFFNER: I understand that this Act when put into effect will permit the rancher, but not the mixed farmer, to obtain money on his cattle. If that is so, I must enter my emphatic protest. I would certainly be deemed to be derelict in my duty to my constituents if I allowed such a clause to pass without registering my objection to it. One of the difficulties experienced by the mixed farmer in raising cattle in the West, speaking for my part of the country, has been the competition of the ranchers. I have no objection to the ranchers having that privilege; I believe it is quite right; but there is no more reason why a farmer should not be permitted to go to the bank and give security upon his live stock than upon his grain. I regret very much that the minister has seen fit to extend this privilege to the ranchers, and to withhold it from the mixed farmers. We are doing our utmost in the West to go into mixed farming, and the best way to encourage mixed farming is to permit the farmer to obtain money from the banks by giving security upon his live stock.

Section agreed to.

On section 99—purchase of the assets of a bank:

Mr. OLIVER: I take it for granted that the matter of bank mergers was dealt with very fully by the committee, and that the mind of the committee is represented by