

There were all the individual and group variations with respect to the additional 576 soldier settlers in these two provinces who had their debts reduced and came between the classes above mentioned.

*Progress of Settlers Who Were Granted Debt Reduction Under the Order*

This was the position of the 1,600 soldier settlers who had received debt reduction during the past three years as shown by their ledger accounts (September 30, 1945):—

- 194 settlers had repaid their loans in full and received title;
- 28 settlers had assigned their contracts (sold farm and taken an equity);
- 498 settlers had credit balances against future instalments;
- 671 settlers showed accounts up to date;
- 209 settlers were shown in arrears.

NOTE.—In the period September 30, 1945, to December 31, 1945, a further 31 settlers in the above group have repaid their loans in full and received title to their farms.

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The following exhibits accompanied Mr. Jones' memorandum:—

- (a) balance sheet, December 31, 1945;
- (b) collection statements—fiscal years ended March 31, 1943; March 1, 1944; March 31, 1945, and April 1, 1945, to December 31, 1945;
- (c) loans repaid in cash—inception to March 31, 1945, with details by provinces for past six years;
- (d) grading schedule (debt position in relation to 1941-42 farm values) as to December 31, 1941;
- (e) grading schedule (debt position in relation to 1941-42 farm values) as at November 1, 1945;
- (f) annual report Soldier Settlement—fiscal year ended March 31, 1942;
- (g) copy P.C. 10472, November 19, 1942;
- (h) copy P.C. 8346 (1944), March 28, 1945;
- (i) copy P.C. 191/6282, September 28, 1945;
- (j) Dominion summary reductions under P.C. 10472, September 30, 1945.

Mr. Jones was questioned as to the cost of administration upon which some stress had been laid in the briefs of the Soldier Settlers Association. The Public Accounts Report for the fiscal year ended March 31, 1943, showed the total cost of administration, in respect of Soldier Settlement plus in respect of British Family Settlements, was \$571,858 and Mr. Jones said a careful estimate of the present annual cost of administration of Soldier Settlement only is \$135,000.

Mr. Jones stated that the average age of soldier settlers with active loans was 56½ years. (December 1945)

He said that every settler was invited, prior to March 31, 1943, to apply for debt reduction and 1,600 applications have been granted. Of the 203 settlers presently shown to have no equity, the Committee was told that a further recommendation regarding 49 was in hand and that further applications were under consideration.

Mr. Jones expressed the opinion that the recommendation of the Canadian Legion must be taken to mean that the reduction in the interest rate to 3½ per cent be made retroactive to the date of the original contract and that all soldier settlers' accounts be adjusted accordingly; and that all debts so adjusted to within 25 per cent of either the original purchase price or the reduced price (as a result of remedial Acts, including Farmers' Creditors Arrangement Act and P.C. 10472) be cancelled. This would involve: