

APPENDIX No. 3

Q. So you see, Mr. Chairman, that Mr. Hamilton's statement that taxes had been reduced, does not necessarily mean that the farmer is in a better position?—A. I would say that after all I think you would be probably surprised at the small percentage of loans in the West upon which we paid the taxes. If you desire that information, I would be pleased to send it to you.

By the Chairman:

Q. We have had this happen to us: We have people come before us who present a very sad picture. Then we have others who present pictures not quite so sad, and if we can get definite figures over a wide enough area, then we have something of real value on which to base an opinion. Therefore, I think it would be an advantage to have those figures.—A. What would you like?

Q. If you would give us, by provinces, the amounts of money which you have disbursed on account of the mortgage debtors, to keep the taxes paid on the properties.—A. Of course, it, after all, would not have very much bearing for this reason: take this last six months; on account of the penalties being enforced at certain periods, and 10 per cent added, some time in March we cleaned up those taxes so as to save the penalty to the borrower, and then in the Fall he cleans up these taxes—a large percentage of them. That will show what we have paid in 1922, and coming back with a statement on the 31st of December, 1923, they are cleaned up and paid off.

Q. It would be an indication to us that the mortgage creditor had had to come to the assistance of the debtor.—A. All right. I think I get the viewpoint of the Committee. When I get back home, I will work out the statement clearly and fully and forward it to you.

By Mr. Sales:

Q. Give us the number of quarters of land involved.—A. Yes.

By the Chairman:

Q. I know from personal knowledge that there is an additional penalty on the 1st of March in Manitoba.—A. The only request we have had since four years from the West was from Manitoba, for the reason that on a certain date in March there was going to be an additional penalty. We have had no such request from Alberta or Saskatchewan since four years. In Saskatchewan I think we do most of our tax paying in November.

By Mr. Sales:

Q. The penalty comes due on the 1st of January?—A. In Saskatchewan, they all come in December.

By the Chairman:

Q. There was a suggestion made by the Hon. Mr. Sinclair. He asked me whether you had indicated the method you pursued in making these loans, what investigation you made, and to what extent you went up to.—A. In the first place the maximum that we will loan on a farm is 50 per cent of the valuation made by our own inspector. We base the valuation in every case lower than the value put on by the farmer, and as a matter of fact we have very, very few cases where the farmer has asked us to lend him 50 per cent of his own valuation. Just to place the matter frankly before you, the loan applications come to our different offices. For Manitoba and Southeastern Saskatchewan we have a loan office in the city of Winnipeg, and our loan manager there has his local loan agents who pick up the loans from the farmers. There are certain districts in Manitoba in which we will not accept a loan to-day,

[Mr. Charles M. Bowman,]