

the Commission so as to safeguard the public interest; at the same time, the Commission will have complete discretion in all such matters, and may be relied on to regard it as its chief function to encourage and protect the borrower as far as is consistent with the safety of the loan.

"Considering on broad lines the structure of the institution created by this Act, I find that the Commission is given wider scope and constituted on more practical lines than any similar board of which I have heard. The administration will be conducted with the greatest simplicity. While the Commission can not borrow a single dollar without authorization of the Legislature, and issue no bonds without the sanction of the Government, it has the greatest latitude and the full responsibility in respect to loaning. A further effect of the simplicity of the proposed system is the saving of time and expense effected by placing long term loans, short term loans, and loans to associations under the same Commission.

#### **PROBABLE EFFECTS OF THE PROPOSED CREDIT SYSTEM**

"With respect to the effect the proposed credit system may be deemed to have on conditions generally in the Province I wish to say a few words.

"It is evident that one of the chief reasons why so many people have left the farm for the city is the barrenness of social life in the country as compared with the glamour of city life. I believe that perhaps the greatest effect of a credit system, as here proposed, will be a tendency to elevate the farmer's self-respect by increasing the scope of his activities and his prospects. With this will follow better conditions, better houses, more conveniences and comforts, and better living. I believe, Mr. Speaker, that we may expect to see a general change in all our conditions as an effect of this Act; people who have left the farm and gone to the city because they could not make a fair living on their land will return to the country, and instead of an exodus from the country there will be an exodus from the city back to the land. Incidentally, another effect of the introduction of this credit system will be that as far as the farm land is concerned, we will come back to actual productive values, and I believe that after ten years operation of this Act, speculative valuation of farm land will practically have disappeared.

#### **INCREASED ASSETS TO THE PROVINCE**

"I have noticed, Mr. Speaker, that fear has been expressed by some that a credit system based on guaranteed bonds, as here