

# CHEAP MONEY FOR FARMERS

## A Measure Which Will Solve the Farmers' Financial Problems.

### Speeches by the Premier and The Provincial Secretary in Its Support.

Hon. Mr. Turner in moving the second reading of the bill for the Encouragement of Trade and Agriculture by the Establishment of Mutual Credit Associations, said: The house is familiar with the procedure that has been adopted in regard to the measure now before it. It was referred to the committee, the duty of which was to report on existing systems, and the report of that committee has been submitted, and although I have not had time to read it, I believe it contains a good deal of information of a useful character, but without any special recommendations as to the course that should be followed or the policy that should be adopted in regard to the main problem. With regard to the bill now to be considered, some difference of opinion may exist as to details, but the principle is one that will commend itself to the favor of the house and so far as we can judge by the expression of opinion in the country it is

#### GENERALLY APPROVED.

Some of the amendments recommended by the special committee and other new amendments will be introduced in committee. In this connection I am free to state that we are not yet in a position to judge of how far it may be successful in operation. It introduces a new feature in finance on this continent, and while somewhat similar systems have worked well in Europe, we must wait for a time to ascertain what changes may be necessary to fully adapt it to the conditions which obtain in this province. These things must work themselves out

in practice, and therefore the measure however well considered must to some extent be experimental. The advocates of cheap money in this province have had in view mainly the lending of money by the government to farmers to redeem mortgages carrying a high rate of interest, and the committee, I observe, has adopted the view that in the formation of banks the payment of existing mortgages on farm property should be a primary consideration. The government, however, looked at this matter from a

#### STANDPOINT OF GENERAL UTILITY.

and has endeavored to frame a measure which would extend its benefits to a much greater number of persons. The primary object is not in our opinion to relieve that portion of the community which has overburdened itself with debt so much as to assist the community generally in obtaining money for purposes of development. This is, what I understand is the object of the credit associations wherever they have been established. Those who are in debt by making the conditions as favorable as possible are enabled by industry and care to get out of it as speedily as possible; but, sir, if it were assumed that the object were mainly to enable the government to go into the money-lending business in order to ease mortgagors, I do not think the government would be justified in entertaining it at all. Moreover, the benefits would be limited to a comparatively few, whereas under the pres-