

own losses and making their own gains. We are surely launching too far into this newer field. Why, to-day if a person buys anything but a Government bond he is considered to be a speculator. Buy a Government bond and you are all right. We are entering into so many things that I fear Government bonds may get into the class of many other bonds.

Some Hon. SENATORS: Hear, hear.

Right Hon. Mr. MEIGHEN: If we do not check ourselves soon we shall be started down the abyss, the end of which I do not like to contemplate.

Hon. Mr. SINCLAIR: I would remind the right honourable gentleman that chattels are taken only as a security in addition to the second mortgage.

Right Hon. Mr. MEIGHEN: That is quite right, the chattels are an extra security. There is not, I think, a specific loan against the chattels; not under this section anyway; but on loans up to two-thirds of the value the losses are likely to be such that the small percentage provided here to cover them will not prove excessive.

Hon. Mr. SINCLAIR: May I say another word with regard to arrears? I think my right honourable friend should have explained that about one-half of the arrears are in the province of Alberta, and that the debt adjustment boards have interfered with the collection work of the Farm Loan Board. By virtue of this Bill the debt adjustment boards can no longer interfere with the operations of the Farm Loan Board.

Right Hon. Mr. MEIGHEN: No. What the honourable senator is thinking of, probably, is the statement I made in the committee, that in my opinion there was no jurisdiction in the debt adjustment boards of the provinces to interfere with the Government of Canada in collecting its own loans. I have not seen any clause in the Bill which altered that situation at all. I do not see how any clause could have such an effect.

Hon. Mr. SINCLAIR: To explain my point I may say that by paragraph a of section 7 of the Canadian Farm Loan Act it is provided:

Mortgages taken as security for farm loans and remedies thereunder shall be in all respects subject to the law of the province in which the farm land mortgaged is situate.

By the Bill we amend paragraph a of section 7 and leave those words out. I understood the purpose was to give the Board authority over the Debt Adjustment Board in Alberta or in any other province. That was the point

I made when I referred to the fact that the arrears which my right honourable friend cited as against the security of the second mortgage are arrears created by reason of that original provision. We are removing that and leaving the Board free to enforce collection of arrears, as my right honourable friend explained to the committee the Board should do.

Right Hon. Mr. MEIGHEN: I am grateful to the honourable member. That fact was not called to the attention of the committee at all. Apparently under the old Act the Board was specifically made subject to the provincial law. I should not like to express an opinion, but assuming the section really made it subject to provincial law, and therefore to the activities of the Debt Adjustment Board, then the amendment which the honourable member reads would remove that subjection. In that I think the honourable member is quite right. But I do not think that to the Debt Adjustment Board is attributable any substantial share of the present arrears.

Hon. Mr. SINCLAIR: In that province.

Right Hon. Mr. MEIGHEN: I presume that in large part they would be arrears if the Debt Adjustment Board were not there. In fact, conditions have not enabled the farmers to pay. It may be the honourable gentleman is correct in saying we could have collected more but for the Debt Adjustment Board.

Hon. Mr. SINCLAIR: It was encouragement to the borrower not to pay. The Debt Adjustment Board protected him.

The amendment of Hon. Mr. Sinclair was negatived.

The motion was agreed to, and the Bill was read the third time, and passed.

CANADIAN AND BRITISH INSURANCE COMPANIES BILL

REPORT OF COMMITTEE

Hon. W. A. GRIESBACH presented the report of the Standing Committee on Banking and Commerce on Bill F, an Act to amend the Canadian and British Insurance Companies Act, and moved concurrence therein.

Hon. Mr. DANDURAND: Honourable members of the Senate, in committee there was considerable discussion on the amendments now before us, one of them particularly engaging the attention of the committee for some time. I shall not state what