

*By the Chairman:*

Q. I suppose "sweet are the uses of adversity"?—A. Yes.

Q. Was it the adversity of other people?—A. We all had them. We have all got them.

*By Mr. Caldwell:*

Q. Mr. Bowman speaks about the optimism in the west. Is he referring to a certain prescribed area? I surely agree that the world is contracting extravagant habits which they are not willing to do away with, but I cannot help but consider some of the features you brought out.—A. I am also optimistic about certain districts in the west in which we are loaning to-day, because they are going to go through an evolution and things are changing. Take that district in Southern Manitoba, I make this prediction, that half of the troubles through there—in twenty years from now we will see that a different country, owing to the different changes that are going on. Take that district in South-eastern Saskatchewan; it is a magnificent country and it has a great future. It is going to clear up in the same way and satisfy the people.

*By the Chairman:*

Q. It is after six o'clock. You were not present, Mr. Caldwell, when Mr. Bowman went over province by province showing the arrears of mortgage interest that were outstanding, showing what proportion it bore to the principal. It is largely upon the figures that Mr. Bowman has given us that their conclusions differ, not substantially, from a great many conclusions which some of us at least, have arrived.

Mr. MILNE: Mr. Bowman has picked out the choice areas in the West, picked out the choice people in the choice points, to deal with.

The WITNESS: I would not say that I based my opinion or my judgment entirely upon our own personal experience in investing these trust funds. I based my judgment on the findings we have arrived at on not only the observation of these districts, but of the West as a whole. I am dealing with the West as a whole in making those statements. I do not wish to have my judgment apply to those districts in which we are loaning at the present time. In that connection let me carry you back to 1886, 1887 and 1888 and along there. Anyone who knows anything about the State of Kansas knows that at that time the State of Kansas went through the difficulty in some parts that we are going through in the West. In 1886 everything was rosy in the spring. The ultimate result was that we had to send money to a brother to bring him back to the State of Michigan. Thousands of farmers had to quit in the State of Kansas. In 1912 I travelled through there and those farms were selling freely at \$200 an acre, and in 1912 and along there the farmers of Kansas had some money deposited in the Savings Bank. They had gone through the same experiences we had in the West. The majority set their jaws and figured out the problem and got down to a proper basis and they entered after that into the greatest period of real sound wealth production that they ever had. I want to make this prediction, so far as our Canadian West is concerned, having gone through these trials and tribulations, that the Prairie Provinces are entering on what is going to be the greatest period of sound wealth production that they have ever experienced. Time alone will tell whether I am talking nonsense or not.

*By Mr. Sales:*

Q. The trouble is not that we have not been producing. We have been producing all the time, but the trouble is we have not been retaining any of

[Mr. Charles M. Bowman.]