

By Mr. McNevin:

Q. That is one of the amendments of the bill?—A. Yes, that will certainly be a great improvement.

Q. Bill 134 is described as: "An Act to encourage the provision of intermediate term and short term credit to farmers for the improvement and development of farms, and for the improvement of living conditions thereon." There is a very long list of purposes for which the bill provides that the banks may lend money to the farmers: for the purchase of agricultural implements, for refrigerators, heating appliances, installation of electricity—there is a very long list of purposes. Now, would it be your opinion that that will be a provision that will be of advantage to the farmers in western Canada?—A. I wonder if I might say a few words? That is referring to a proposal that the banks, upon the request of the dominion government, will release approximately, I think, \$250,000,000—am I right in that? They may lend more if they wish, but the government will guarantee the loss up to 10 per cent on \$250,000,000. Again I say it is a case of the banks not taking too many risks. They have got the government's guarantee to safeguard them against loss. As a private business I think that is good business, and if I were a banker responsible to my shareholders, I would try to get 20 per cent guaranteed from the government, but I would like to say a word or two upon that particular thing. I do not know what has been responsible for the arrangement or whatever discussions took place as between the banks and this arrangement—

Q. It is an extension of the same provisions that provided housing accommodation in the cities—it is extended to the farmers?—A. That has already been done, I know, to some extent in helping people to get houses and to improve their houses; but I want to say this, and Mr. Perley has mentioned one of the dangers, this unquestionably could make available to farmers credit that they possibly could use, and I am inclined to say it is possibly an inducement to encourage them to have a little more confidence in the banks than they have had recently. Now, I hope you will excuse me for saying that. That is my feeling in the matter.

By Mr. Kinley:

Q. Would you object to that?—A. Eh?

Q. Even if that were true?—A. No, no. In other words, what is the good of having a bank if you do not have business coming to it? But there is one thing that I want you to give some attention to, in all sincerity, even the banks. There will be years when you will have crop failures; and if there are any of you here who want to learn about crop failures, sit down and have a talk with Mr. Graham there, because he has lived right in the heart of it, year after year after year. Thank goodness that does not happen too often; but there is hardly any part of the province of Saskatchewan that has the same growing conditions. I think I mentioned this morning that it is nearly three times the size of Great Britain and Ireland. It is a great big place, and it is hardly possible that the same growing conditions can prevail all over the province. Mr. Perley mentioned one year that they did, 1915; and in some parts of the province of Saskatchewan they still talk about 1915. I think that was one year that there was not a part of the province of Saskatchewan that enjoyed a favourable growing condition. This year the crop condition in the province is very, very good. But our president here, Mr. Appleby, knows pretty well now that he is going to suffer almost a failure. That is one part of the province.