

*By the Chairman:*

Q. At the beginning of your statement, I think you stated that one of the provincial organizations was the Saskatchewan organization, which at the time this resolution was passed, was a member, but is not now a member. It not being a member now, is no reflection upon this memorandum?—A. None whatever.

Q. It is only a difference of opinion that might exist?—A. It arose, Mr. Chairman, out of two different farmers' bodies in Saskatchewan. An entirely new body was created, which was not in membership with the Council. Generally speaking, that represents the view of the farmers of Saskatchewan as well as others.

*By Mr. Woodsworth:*

Q. I think the Saskatchewan farmers should go a little farther than that. What do you say to that?—A. I think the Alberta farmers would go a great deal farther than this memorandum goes.

*By the Chairman:*

Q. Money is not so hard now?—A. No, sir. It is a question of devising machinery which will really serve the productive operations of the agriculturist. There is a handicap in the non-existence of these institutions.

*By Mr. Cayley:*

Q. The provinces do not deal with that?—A. I think banking is specifically excepted, from the operations of the Act. There are certain provincial institutions which provide long-term loans, in Saskatchewan and Manitoba, and in most of the other provinces, but they are not operative.

*By Mr. Matthews:*

Q. Would you care to state to the Committee what rate of interest the banks are charging in the West to-day, to farmers?—A. I have no information whatever as to the banks. I know the loan companies' rates of interest. It would certainly be eight per cent. The prevailing mortgage loan rate of interest in Manitoba at any rate to-day on good risks is seven per cent.

*By the Chairman:*

Q. May it not be that the rate is somewhat higher than it ought to be, on account of local legislation, which makes farm loans not as desirable as they should be?—A. That is one cause.

*By Mr. Ladner:*

Q. The Canadian Council of Agriculture was favourable to the establishment of a Federal Reserve Bank for re-discounting?—A. Yes.

Q. In such a case, how would you propose to organize the management or the directors?—A. We have not gone extensively into the details. We imagine that once the principle is accepted, the establishment of the actual machinery would not be a difficult matter, in view of the existence of similar banks in Great Britain and in the United States of America.

Q. We found in 1923 that that would be a very very important matter. The point would be, to what extent would such a bank be controlled by the existing banks, or whether it should be a Federal bank; my point is whether your Council has considered such a question, and if so, whether they have any suggestions to offer?—A. I think we have considered that specifically.