

*Soldier Settlement Act*

Mr. GORDON: This house has no jurisdiction whatever over lands that may revert to the provinces. This legislation refers only to lands that presently stand in the name of the director of soldier settlement. I am very well acquainted with the difficulty the hon. member refers to, and it is a difficulty, particularly in those sections of Canada and in northern Ontario where lands are alienated from the crown, subsequently reverting to the crown after the organization of school sections and the other paraphernalia of municipal government. Unfortunately we have no authority to deal with matters of that kind under this legislation.

Mr. CAYLEY: Will this enable the municipalities to collect back taxes?

Mr. GORDON: No.

Mr. VALLANCE: With regard to insurance placed by the soldier settlement board on soldiers' property, the policy of the late government, and, I think, of this government until quite recently, was that any member of an insurance company who was a returned man should have the preference in placing insurance with that company. It seems that the policy has been changed. Has the matter been brought to the attention of the minister? In the city of Saskatoon there are some firms with whom the soldier settlement board has been placing insurance right up until quite recently, and now they are denied the right of this business which heretofore has been theirs. Will the minister give some explanation, if there is one, of the situation in Saskatoon at the present time with reference to insurance?

Mr. GORDON: It would be difficult for me to answer that question without having had some notice that I was going to be interrogated in that regard. Wherever there are available returned soldiers in the insurance business, I think it would be highly desirable that they should be preferred in the placing of fire insurance policies. I do know of one case where in 1926, I think, the insurance was taken away from a firm composed of returned soldiers and given to another firm who were not returned men. That is only one illustration, however. It would be impossible for me to cover the whole field without having had notice that the question would be asked. If the hon. member would like to see the list of insurance agents with whom policies are placed, I should be glad to place it at his disposal.

Mr. VALLANCE: I would suggest that the minister investigate the situation in Saskatoon.

[Mr. Bradette.]

Mr. DONNELLY: What is the policy in regard to the payment by the government of taxes on land that has been sold to soldiers, the taxes not being paid either by the department or by the soldiers? Schools have been built and telephone lines constructed, and debentures have been issued and the lands all assessed. Some of the soldiers are still living on these lands and the taxes are not being paid. What is the government's policy in that regard?

Mr. GORDON: As the hon. member knows, lands held by the crown in the right of the province or of the dominion are not subject to municipal taxation. The policy of the department with respect to the payment of taxes can probably be best put in this way. Under the terms of the legislation as it now stands, with respect to land occupied in the manner defined by the act, the director of soldier settlement, in his judgment, has the right to pay and as a matter of fact in a large number of cases does pay, these taxes from time to time. The taxes on other lands are in somewhat difficult position, and as will be observed, the resolution now before the committee will, in a measure, remedy the situation that has existed heretofore. The hon. member probably knows that an arrangement was entered into about April 1, 1930, whereby taxes were paid on all land. The legality of that course was questioned at the time by the Department of Justice and this legislation will, in a measure, correct the situation, giving to the director those powers that will be indicated in the bill when it comes down. This bill was the subject of a number of conferences between the soldiers' representatives and the provinces and municipalities, and it is with the desire to assist throughout Canada—not in any one province—those municipalities that find themselves in the position indicated by the hon. member, that this legislation is proposed.

Mr. SPEAKMAN: I wish to ask the minister two questions, one with respect to the position of civilian settlers under the board and the other with reference to certain rental leases on the third crop share basis. That would come more properly under the estimates when they are before the house, and I assume that I shall have the opportunity then to bring the matter up.

Resolution reported, read the second time and concurred in. Mr. Gordon thereupon moved for leave to introduce Bill No. 100 to amend the Soldier Settlement Act.

Motion agreed to and bill read the first time.