

This was the position of total of 4,563 active settlers as at November 1, 1945, (grading schedule) :

2,396 settlers (Grade 1)—average personal equity	....	68·6%
1,446 settlers (Grade 2)— “ “ “	....	30 %
518 settlers (Grade 3)— “ “ “	....	14 %
203 settlers (Grade 4)— “ “ “	....	No equity

NOTE:—In the three year and seven months period between March 31, 1942, and November 1, 1945, 169 soldier settlers assigned their contracts to other purchasers, the settlers taking their equities in cash, and 108 farms reverted to the Director by reason of abandonment, death, etc.

The altered position of the 3,800 Soldier Settlers on whom the Parliamentary Committee in 1942, focused their attention.

This was the position of 3,641 of these settlers as at November 1, 1945: 517 settlers had repaid their loans in full in cash and received title to their farms.

854 settlers (Grade 1)—average personal equity	....	56%
1,340 settlers (Grade 2)— “ “ “	....	30%
517 settlers (Grade 3)— “ “ “	....	14%
203 settlers (Grade 4)— “ “ “	....	No equity

NOTE:—119 of this entire group had assigned their contracts taking their equities in cash, and 91 farms reverted to the Director since March 31, 1942. The settlers referred to in this section are included in the general summary immediately preceding.

Main factors contributing to improved position of Soldier Settlers.

1. The combination of good crops and favourable prices—(especially in the two fiscal years ending March 31, 1944, and March 31, 1945).

2. The excellent payment record of soldier settlers. In the three year nine months period March 31, 1942, to December 31, 1945, soldier settlers paid in cash on their contracts a total of \$5,221,920. Of this amount \$3,170,578 was in the form of payments on current instalments due and \$2,051,342 as prepayments in advance of maturities.

3. Debt adjustment under P.C. 10472. Sixteen hundred soldier settlers have had their debts reduced by \$1,007,000. There is clear indication in the majority of cases that these adjustments have been an incentive to settlers to keep their accounts up to date.

Part 2

Debt Adjustment under P.C. 10472

The position of soldier settlers, March 31, 1942, as reported to the 1942 Special Parliamentary Committee is as hereinbefore outlined.

Recommendations of the Committee in their fifth report to the House of Commons July 17, 1942, were substantially implemented by Order in Council P.C. 10472, dated November 19, 1942.

Briefly, the Order makes provision for:—

- (a) Reduction in rate of interest from 5 per cent to 3½ per cent with respect to persons indebted to the Director of Soldier Settlement enlisted for active service in the present war.
- (b) Extension of terms of agreement between a soldier settler and the Director, such extension not to exceed 20 years as from the standard date in 1942.