

Mr. CHESTER: Have they got it completed in Alberta?

Mr. GÜNDLOCK: As far as I know it has been completed over a year.

Mr. CHESTER: Well, we have all the information on it, I did not know that it was completed.

Mr. HICKS: Is poultry included as livestock in the loans and if not why not?

Mr. CHESTER: Well, poultry, of course, is livestock, but we do not loan on the basis of livestock. That is not any security for our loan.

Mr. HICKS: Not at all?

Mr. CHESTER: No, we cannot make a loan against livestock nor can we make a loan against the security of machinery. Chattels of any kind are not security for our loans and we cannot base a loan on that. The only thing we can loan on is the land and buildings, nothing else.

Mr. NASSERDEN: To get back to the question of the 65 per cent. Without consideration for a person's age and experience and adaptability have there been any cases where you have made loans in excess of 65 per cent of the appraised value of the property?

Mr. CHESTER: We are not allowed to. The law will not allow us to. The answer to that would be no.

Mr. NASSERDEN: What I am getting at is, how do you figure that you ever take into consideration the adaptability of a farmer in regard to a loan?

Mr. CHESTER: We take his character into account and his ability as a farmer. What do you mean by "adaptability"?

Mr. NASSERDEN: That is exactly what I have been referring to. It would mean that he has security according to his 65 per cent?

Mr. CHESTER: Within our limits, yes.

Mr. NASSERDEN: But it never goes above?

Mr. CHESTER: No, the law will not allow us to go above 65 per cent nor will it allow us to go beyond \$15,000.

Mr. BOULANGER: I have seen a report made by the Veterans' Land Act, a good report. Do you think it would be a good thing that the Farm Loan Board would do the same inquiry and know the need for money and all kinds of things in the future?

Mr. CHESTER: I do not think that is within our purview at all.

Mr. SOUTHAM: Is there any counselling in connection with the appraisal in getting these loans through to young farmers? I find a lot of our younger group where someone comes in and is appraising an application and there is a certain amount of advice given by people who have agricultural authority. I think there is a very important education in connection with this in the national economic set-up with all the accelerated changes taking place and switching from the old methods to the new and with this you should require better economic and bookkeeping systems. Is there any educational program along that line?

Mr. CHESTER: No, we do not have any extension division within our board. We could not possibly do it within the framework of our act which requires us to pay all expenses on everything we do and maintain our moderate interest rate, but I might say this, that our appraisers are sound. They are men of experience and at the time they make a loan they discuss the purpose of the loan very thoroughly with the applicant. The applicant might want it for some purpose and our appraiser thinks it should be used for another purpose to his benefit. That is discussed at the time of the making of the loan and the final decision, of course, is always left with the applicant. But these things are pointed out.