

Hon. Mr. DUNNING: No.

Mr. COLDWELL: They were not included?

Hon. Mr. DUNNING: That is not included in the census information.

Mr. JAUQUES: What about the C.P.R.?

Hon. Mr. DUNNING: The C.P.R. would not be included. I have the figures for the Canadian Pacific Railway. The total of all accounts in the Canadian Pacific Railroad land account is \$40,000,000, made up of deferred payments on agreements for sale of \$37,000,000, and mortgages, \$3,000,000.

Mr. JAUQUES: They would come in under the scheme?

Hon. Mr. DUNNING: No. As the law is at present drafted it is rather difficult to see how they would qualify.

I admit there is a point there as to whether lending companies with large volumes of agreements for sale outstanding should not be brought within the scope of the measure. If that could be kept in mind for later consideration I would appreciate it.

Mr. JAUQUES: Do you not think they should be?

Hon. Mr. DUNNING: I would not say I think they should, but I think it is a point well worthy of further exploration.

Mr. JAUQUES: I think so too.

The WITNESS: Mr. Chairman, I think possible I should try to put more accurate information, if we can get it, before the committee on the number of mortgages. At the present time I am using these approximate figures which appear to me as accurate as I can speak of them now. But I was referring to the number of those mortgages to show the mechanical problem involved to the companies in making the adjustments under the bill at present; and I am not putting it too strongly or extravagantly to say that the mechanical problem alone might prevent the bill operating where otherwise it could operate.

On that account I would like to think that the suggestion which Mr. Dunning made might be put into operation in some way so that the mechanical problem could be overcome. The initial step in any adjustment should be that the company, the farmer or the city borrowers—and this is all subject to its being confined to where we think the problem exists, in the cities, as non-current mortgages—should get together and agree on their proposal and their adjustment, and that that agreement should contain a term that it was subject to the subsequent testing in any way that the central mortgage bank desired as to that adjustment being a fair one in accordance with the terms of the Act. We think we could then go right out and deal directly, quickly and expeditiously, and with the least mechanical difficulty. From the standpoint of the borrower, I think there is a great deal to be said for that procedure, otherwise either one is not able to do the job at all, or one does it only for a long period of time and with dissatisfaction generally as long as the matter is then left open.

So long as that could be the first step and then an appraisal or such other test as the mortgage bank might wish to make, as to the fairness of the adjustment, allowing whatever reasonable time, say, a year or so for that to be done; if the mortgage bank then felt that the adjustment was not a fair one it should be re-opened by virtue of this appraisal and then the procedure that is now set out in the bill could be followed.

Hon. Mr. DUNNING: In that regard you would intend in your suggestion that the borrower should get the benefit immediately?

The WITNESS: Yes.