

No. 1 of the Commission be implemented, but I have no knowledge of his reply. I hope that before long an amendment will be submitted in this connection, and I will have pleasure in seeing this recommendation implemented.

**Hon. John T. Haig:** Honourable senators, I will keep the house only a few minutes. I wish to congratulate the Canadian Farm Loan Board upon having appointed a capable person as manager of its branch office at Winnipeg. You sometimes wonder whether a person in a job like that will be moved out fast if he happens to be on the wrong side of the fence, politically speaking. I don't know about this man, but as we have no Liberals or C.C.F.'ers in Manitoba perhaps he is a Conservative. On the other hand, his uncle was a strong Liberal. I know this because we attended the same university and we used to have some great old talks. In any event, the manager of the Winnipeg office is very efficient and is giving extremely good service. This means a lot to an organization such as the Farm Loan Board.

Modern farm machinery enables farmers, particularly those of the three Prairie provinces, to operate a section of land almost as economically as they used to operate a half-section. Sometimes farmers have wanted to buy property adjacent to their own but in the past they have found it financially difficult to do so. The new manager of the Winnipeg office has gone out of his way to facilitate this sort of transaction. I want to refer to the case of a farmer who owned a section of land, three-quarters of which was in one location and the other quarter about four miles away. He wanted to sell the quarter-section and buy some land adjacent to his larger piece of property. He needed \$11,000 cash and was able to put up \$5,500 himself, and the board loaned him \$5,500 on his quarter-section. He then bought the property he wanted and sold the quarter-section that was located four miles away.

**Hon. Mr. Macdonald:** Could he not have borrowed the money from a private institution?

**Hon. Mr. Haig:** No, because private institutions are not willing to lend money at 5 per cent interest. They want 6 per cent, 7 per cent or even 7½ per cent. In any event, they are not keen on lending money on farm property now. Here is the point I want to make. It takes a provincial organization to handle collections on farm loans, just as it takes a municipal organization to handle collections on municipal property. A company dealing in municipal loans does not want to deal in farm loans because, generally speaking, its personnel are not trained for

the purpose. That is why the Canadian Farm Loan Board is gradually taking over the handling of all farm loans in Manitoba. In the farm loans that I have seen go through our law office in the last 15 years, the value of the land being sold has never been mortgaged to a greater extent than 50 per cent. That is a pretty safe criterion. The board charges 5 per cent interest and, as I have indicated, it has facilitated farmers in selling land they don't want and acquiring new land. The young manager of the office in Winnipeg is extremely well liked by the businessmen of Manitoba, and he has rendered the farming community a great service. Incidentally, I call him a young man; he is actually 45, but that is young to me.

The honourable Leader of the Government (Hon. Mr. Aseltine) has given us a clear explanation of the bill. I am not familiar with the situation in Nova Scotia, but the honourable gentleman from Milford-Hants (Hon. Mr. Hawkins) is, and his suggestions may be all to the good.

**Hon. Mr. Macdonald:** Could the honourable senator tell us whether there is a provincial board in Manitoba that lends money?

**Hon. Mr. Haig:** What happens is this. A farmer applies for a loan and the branch manager will send an inspector out to make an investigation. There are three such inspectors for the province of Manitoba. The inspector furnishes the branch office with certain information and, on instructions from the branch office, he negotiates a loan for the farmer. The board would not loan \$5,500 on a quarter-section if it was four miles from the person who wanted to buy it, but in the case I illustrated the board was quite safe in loaning the money on the quarter-section because it was adjacent to property of the intended purchaser.

**Hon. Mr. Aseltine:** Did the board make the loan on the whole section?

**Hon. Mr. Haig:** No, just the quarter-section.

**Hon. Mr. Aseltine:** You can't get that sort of a loan through very often.

**Hon. Mr. Haig:** That's because you haven't got good land like we have in Manitoba.

Anyway, this type of activity has brought the board into high respect in Manitoba. The tendency has been for insurance companies and trust companies and other lending institutions to lend money on city property rather than on rural or farm property. This is because they are more familiar with city property. You can't blame them for their attitude. However, the manager of the Manitoba branch of the Canadian Farm Loan