

at the disposal of the Minister of Agriculture a capable board of agriculture. Ministers change, and they are not always men who are thoroughly interested or posted in farming subjects.

Before I close I would like to refer to the financial aspect of the question. We as commissioners hold there is no possibility of the government losing a dollar by reason of guaranteeing bonds for the purposes I have described. First, because each \$1,000 loaned will have \$1,400 security in the shape of improved farm land; secondly, because each loan is given to a carefully selected man, a man who is known to be honest, industrious and of good habits; thirdly, to insure that the money borrowed is going into the farm it is not advanced until the improvements for which it is required have been performed. The idea is to help those who are helping themselves.

Then there is the rest fund, the one per cent. extra which is charged, and there is the experience of other countries where similar systems have been in force. We are told that in all the countries where similar systems have been introduced as much as \$1,000,000,000 has been advanced, and no loss incurred not provided for by the 1% and several million dollars surplus has accumulated.

Look at New Zealand where \$65,000,000 have been advanced and after eighteen years only \$31,000,000 is outstanding. In Australia the same holds good. There were no losses. But take the case of Saskatchewan, according to their Royal Commission, the farmers of Saskatchewan owe on mortgages the sum of \$86,000,000, a sum equal to \$50 an acre for every acre owned. It is estimated that not more than half the land owned is under cultivation so that practically the land under cultivation is loaded to the extent of paying interest on \$10 an acre and their rate of interest is running all the way from 8 per cent to 15 per cent, with the average at 10 per cent. and the life of the mortgage usually from three to five years. In the fifteen months preceding the making of their report there were 1780 foreclosures with an equal number of foreclosures begun, not carried out but renewed at an increased rate of interest. That is the result of loans falling due before a farmer is able to meet his payments out of the earnings of his farm. The equity of redemption wiped out by reason of these foreclosures amounted, I am told, to over \$1,000,000. Such a large amount of land has been taken over by agricultural implement companies and loan companies that one of the companies is starting a department to dispose of the land.

In New Zealand there were only thirty-five foreclosures, most of those through death and other reasonable causes. There was one case of a man who went largely into debt. He owed the merchants for groceries and other things a large amount of money and skipped