

they do not know how to farm. I believe that is true. But when we did not know what to do with these returned men back in 1920 and 1921, we persuaded many of them to go on the land,—men who ought never to have gone on the land. And there they are. I have forgotten what the percentage of completed contracts is, but if my recollection is correct—and I have a fairly good memory—not more than 25 or 30 per cent of the contracts originally made have been carried to completion. Would the minister tell us how many of the original soldier settler contracts have been completed and the loans paid out in the terms of the contracts?

Mr. CRERAR: I think I can get that information for my hon. friend in a moment. It may be of interest to the committee to know that the total reductions or concessions made in amounts originally advanced to soldier settlers for the purpose of land, live stock and equipment, amount to over \$43,000,000.

Mr. DONNELLY: That is, the write-off?

Mr. CRERAR: Yes.

Mr. DONNELLY: What was the original investment?

Mr. CRERAR: I am told that it was around \$108,000,000.

Mr. COLDWELL: That would include both accrued interest and original principal?

Mr. CRERAR: Yes, but largely principal reduction.

Mr. COLDWELL: But that proves nothing.

Mr. DONNELLY: What rate of interest does the department charge?

Mr. CRERAR: Five per cent.

Mr. DONNELLY: Was it always 5 per cent, or has it been reduced?

Mr. CRERAR: I understand that it was always 5 per cent to the soldier settler. On some of the civilian contracts which replaced soldier settler contracts it may have been 6 per cent.

Mr. DONNELLY: How many soldiers have taken up land, how many have left the farms, and how many are yet on the farms?

Mr. CRERAR: I am informed that 2,592 of the original settlers have cleared off the indebtedness and have titles to their lands.

Mr. COLDWELL: What percentage is that of the original contracts?

Mr. CRERAR: That would be around 11 or 12 per cent. Of the remainder of 8,118 soldier settlers whose contracts with the

department are still in force, 3,004, or 38 per cent, have a substantial equity of 40 per cent or more in their farms.

Mr. COLDWELL: After twenty years?

Mr. CRERAR: They have their accounts in good standing, and should pay off their loans. There are 1,645 or 20 per cent, who have an equity of from 10 to 40 per cent in their farms and have a fair prospect of success.

Mr. COLDWELL: That is after twenty years?

Mr. CRERAR: Yes. Probably in some cases it would be twenty years; in others, it would be less.

Mr. JOHNSTON (Bow River): They have quite a bright future!

Mr. CRERAR: Then 3,469 or 42 per cent, have little or no margin of equity. Most of this last group have had their loans reduced under the Farmers' Creditors Arrangement Act during the past three years: 2,300 of this group have a fighting chance, but 1,100, despite a heavy debt reduction under the Farmers' Creditors Arrangement Act, have little prospect of establishing any personal equity in their farms, probably due to inefficient farming methods, aggravated in many cases by advancing age or other physical disability. That is the picture as it is at the present time.

I happen to know, because I have lived in western Canada, quite a number of cases of soldier settlers. I recall one case where there was only a public road between two men. They got the same advantages; their land cost practically the same; in each case they received practically the same assistance. One man has paid off his obligations in full, owns his farm and has good buildings on it; the other man has made a failure of his farm. How are you going to adopt any form of administration which will meet the case of that man? All you can do in the end—and that is what the policy of the department has been—is to nurse him along, recognizing the service he has given in the past. Probably he will stay there as long as he lives, because it provides him with a home, but we may abandon any idea that he will ever pay for his farm, because I cannot conceive of any conditions under which that individual would make a success. The fault was not in the policy of the government. The fault was not in the quality of the land he had. Nor can it be attributed to the conditions, because the man across the road made a success when the