

Mr. MEIGHEN: No, it would mean on all moneys that the bank collects it would get 8 per cent, but the farmer would pay only 7 per cent. The Government pays one per cent for the trouble of collection. That is by way of inducement to the bank to collect the money and keep the Government out of the matter as far as possible.

Mr. BUREAU: The one per cent is paid by the Government at all events. Supposing a farmer borrows money from a bank and gives his note, when the farmer pays back the money, the bank gets one per cent over and above the interest charged to the farmer, and that one per cent is paid by the Government.

Mr. MEIGHEN: That is right.

Mr. CAHILL: The last time this Bill was before the House, I understood the minister to state that he would take into consideration the advisability of limiting the amount to be appropriated.

Mr. MEIGHEN: When the Bill was previously before the House, I stated, in response to a suggestion by the hon. member (Mr. Fielding), that a limit should be placed on the amount which the Government could in any way advance or guarantee for seed grain purchases, which suggestion I said at the time I did not think was practicable, that I would look into the matter further and see if it were practicable. The Controller of the Finance Department, whom I consulted, said that no practicable limit could be fixed because the amount varies from almost nothing in some years to half a million dollars in others. In 1916, following the big crop of 1915, no money whatever was advanced to unpatented homesteaders. In 1917 the amount advanced was \$72,757. In 1918 the amount advanced was \$370,000. Then back in the year 1915, I do not know what the amount advanced on unpatented homesteads was, but at all events it was up in the millions, so that one would necessarily have to fix the maximum amount, and that would be of no value at all. I do not see that any purpose could be served in fixing the amount, for the reason that there is no guiding principle to follow, and if for any reason the demand for the year exceeded the maximum fixed by Parliament, there could be no justification for not meeting the demand even by Governor General's warrant.

Mr. CAHILL: Under this measure the department has the privilege of spending all of the moneys of the Dominion of Canada, and as Parliament sits usually

[Mr. Bureau.]

between the crop seasons, it is surely not too much to expect the department to make an approximate estimate of what they expect to require during the coming season. This provision is for next season's crop, and conditions in the districts that are liable to be benefited under this measure are pretty well known. The department can surely say to-day that it will require \$1,000,000 or \$10,000,000. If there had been a crop failure last year, the department would require more money. There could be inserted in the Bill a section stating that as Parliament sits between the crop seasons, the estimated amount required should be fixed each year.

Mr. MEIGHEN: I would have very little difficulty in fixing a maximum amount for this year. I do not think the maximum amount required this year will reach \$500,000. But the hon. member asks for a maximum applicable for every year.

Mr. CAHILL: No.

Mr. MEIGHEN: That is what anything inserted in the Bill would mean, because the Bill is a continuing authority to the Government. No doubt if the hon. member brings up the question at some time in each session an estimate can then be given of what will be required for that year, but you could not fix that in the Bill, because the Bill would have to be amended every year.

Mr. CAHILL: The amount expended on the Government Railways must be estimated every year, and I do not see any objection to inserting in this Bill a section making it necessary to fix the amount each year, as is done in other appropriations.

Mr. TOBIN: I am surprised that the Government should pay one per cent for collections. I never knew the banks to charge over one-quarter of one per cent. Has the minister made this agreement as to one per cent with the Bankers' Association?

Mr. MEIGHEN: Yes. I should be very much surprised to be criticised on the ground of generosity in this respect. I had the greatest difficulty in making the arrangement at the one per cent maximum, and if the Government of Canada, by this change in its policy in relation to seed grain, gets out with one per cent of the amount in outlay, it will be one of the most radical savings ever effected in any branch of the Administration.

Mr. TOBIN: If the minister would consult with the Minister of Finance, I am sure the Minister of Finance would tell him the banks would not charge more than one-