

Veterans Loans

Mr. Harris: Yes.

Mr. Brooks: We appreciate the explanation by the minister. I might say that there has been very little veterans legislation before the house; this is the first amendment to any veterans act that we have had this session. I do not think it indicates altogether that it is not necessary to have a few amendments to some of the acts; in fact, I could suggest a few myself, and probably will later on.

This act has been quite a popular one with the veterans, and perhaps there will be some disappointment that the act is now at an end. The purpose of the act, as the minister has told us, was to encourage the Canadian banks to make loans to veterans at a comparatively low rate of interest—up to five per cent, I believe—to establish themselves in business and professions.

As the minister has told us, this is a simple amendment. It simply extends the time of the loan where the application was made before the time had expired. As a matter of fact, the date of expiry was January 1, 1955, and this is almost May 1, 1956. My criticism of that would be that it has taken almost a year and a half to make this amendment to the act, and there must have been a good many applications which could have been made in that time.

I should like to ask the minister how many veterans will be affected, how many applications have been made and how many are pending. If we take the report which it is provided shall be presented each year to the house, on or after March 31, we find in the latest report that, as I say, this has been quite a popular act with veterans. There have been 7,371 applications approved, and the loans have totalled almost \$15 million.

I note that in the year 1954-55 there were 218 applications. This Act provides for applications from Korean veterans as well as from others. I should also like to ask the minister how many Korean veterans are included in this number of 218. I might also ask, since this is a popular act with the veterans and is giving great assistance in establishing many of them in business and assisting them in business, why the act is not extended for a further period of time to allow more veterans to borrow money under the act in order to set themselves up in business. It has been of great benefit.

As I understand from the report the department has issued, there has been very little loss as far as the government is concerned. The veterans have been making their payments quite regularly, and it would seem that it was of great assistance to them. To show just what benefit it has been to the

[Mr. Castleden.]

veterans, I should like to quote from the latest report by the Department of Veterans Affairs with respect to loans under the act to March 31, 1955. This report shows the following purposes for which loans were made and the number and total amounts thereof:

	No.	Amount
Purchase of a business	1,544	\$3,564,566.51
Purchase of an interest in partnership or capital for new partnership	1,590	3,390,662.22
Purchase of machinery, tools, instruments or other equipment	1,483	2,459,221.30
Repair of machinery, tools, instruments or other equipment	12	14,675.80

Then we have construction, repair or alteration of, or making additions to buildings or structures, 693, and the amount involved is \$1,406,494.48. The last item is purchase of motorized units, 1,060, and the amount involved is \$1,372,641.19. The total amount is \$12,208,261.50. As I stated a moment ago, there has been an increase in that amount to over \$14 million. In view of the fact that there have been so many applications for benefits under the act and in view of the fact that the administration of the act will have to continue for a number of years because, I take it, the Korean veterans will have ten years in which to make their applications and in addition there will be considerable amounts to be collected over a number of years, it seems to me that the act might be amended to continue for some time, perhaps for five or ten more years.

I should like the minister to answer some of these questions. How many will be affected by the amendment? Will it mean any reduction in staff? How much has had to be written off for bad debts resulting from non-payment by veterans? How much longer does the minister estimate the act will have to be continued in force in order to provide for the Korean veterans and the collection of debts? I do not think there is anything further I wish to say regarding the legislation, but I should like the minister to answer the questions I have asked.

Mr. Harris: On the first point I accept the hon. member's dates as being correct, that for those who were discharged before the 1st of January, 1945 the time limit of the legislation ran out some 12 or 14 months ago. The first case we learned of where there were any adverse results was in October so that I take it no one had applied prior to then who had had the ten years run out on him between the date of application and the date of granting of the loan. That was the first case, as I say, where we found that