

# Report of Land Settlement Board for 1917

## Financial Position of Provincial Government's Loan Board —Objects of Land Settlement Board and Its Work During Past Year.

The first annual report of the Land Settlement Board of British Columbia, being for the year ending December 31st, 1917, has recently come from the King's Printer, Victoria. This Board was created under the Act passed by the Provincial Legislature in session in 1917, entitled "An Act to Promote Increased Agricultural Production," and was attached to the Department of Agriculture. The Act was brought into operation by proclamation of the Lieutenant-Governor on the 16th of July, 1917. Mr. Maxwell Smith was appointed chairman of the Board; Mr. J. A. Macdonald, Mr. D. D. Munro, Mr. M. H. Nelems, and Mr. C. R. Ward were appointed directors. Their number was increased later by the appointment of Mr. F. R. E. De Hart.

The Land Settlement Board was created for the purpose of supplanting the Agricultural Credit Commission created by the late government of Sir Richard McBride and has had its scope widened; not only possessing the powers to loan money on farm lands but also to attend to the various matters that come up in connection with land settlement.

Mr. Maxwell Smith in reporting for the Board gives the following as the work of the year and the objects to be attained by the Land Settlement Board:

"The large number of applications for loans requiring attention has kept the directors busy with appraisal work since their appointment.

"But in addition to bringing this work nearly up to date (before snowfall in the interior of the province), the directors have collected a mass of important information and reliable data that will be of immense value in successfully prosecuting the land settlement and development enterprises of the Board during the coming year.

"The general policy of the Land Settlement Board is to reduce the money-lending feature to the minimum necessary, and to promote land settlement and development work to the fullest extent, along lines consistent with sound business principles, in accordance with the letter and spirit of the 'Land Settlement Development Act' and with a view to stimulating rapid and judicious development of the agricultural areas of the province.

"In the furtherance of these objects it is our aim:

"(a) To first direct our efforts to the settlement and development of those agricultural areas situated convenient to transportation facilities and available for production at the smallest possible cost;

"(b) To adopt the necessary measures to establish community settlement in the areas suitable for mixed farming, fruit growing and all branches of agriculture requiring intensive cultivation;

"(c) To cultivate the active and sympathetic co-operation of the Faculty of the University of British Columbia and all other reliable authorities in determining the products for which specific areas are best adapted;

"(d) In the active carrying out of our development enterprises, to foster the co-operation of the Department of Lands, the Public Works Department, and all other branches of the public service in harmonizing and co-ordinating public expenditure in the areas affected."

From the above account it will be seen that the operations of the Board were in handling the matters previously attended to by the Agricultural Credit Commission. Because of the war and the present stressful condition the Board was not able to affect general land settlement during the period under review.

The work of the Commission and the Board are reviewed in the report. In 1916 there were 94 applications for loans, totalling \$285,900, of which \$224,400 were granted. In 1917 there were two applications for loans applying for \$10,500, making a total number of loans granted 96, involving \$296,400, and amounts granted \$234,900.

Of those loans applied for and rejected there were 243 totalling \$452,220 in 1916, and 21 applications totalling \$40,700 in 1917, making a total rejected 264, applications, involving \$492,920. Of applications both granted and refused the total number were 360.

The summary of the work of the Agricultural Credit Commissions' loans granted from its inception to December 31st, 1917, were 490 loans granted for \$941,950, less 106 loans cancelled or withdrawn, totalling \$153,400, thus making 384 loans granted amounting to \$788,550, of which there has been paid out by the Commission \$675,486.78, leaving the balance owing by the government on loans of \$113,063.22.

The revenue and expenditure account of the Land Settlement Board for the Agricultural Credit Commission accounts to the end of the last calendar year was as follows: Salaries to July 16th, 1917, \$7,608.62; Travelling Expenses to same date, \$2,583.85; Proportional Expenses of Salaries and Directors' Expenses from July 16th to December 31st, 1917, \$8,977.51; Printing, Stationery, etc., \$1,455.43; Furniture and Fixtures, \$123.23; Telephone and Telegraph Account, \$95.56; Legal Expenses and Trustees' Fees, \$215; Interest on Debentures, \$45,000; Interest Repaid on Loans, \$3,762.05; Exchange, Discount and Commission, \$42.22; U. S. Premiums on Coupons, \$69.41; Refunds Granted on Loans, \$27.80; Discount on Debentures, one-twenty-fifth written off, \$6,112.00, making a total expenditure of \$76,072.68.

On the revenue side of the account there are the following items: Interest on Deposits, \$14,367.02; Interest on Loans, \$34,527.51; Interest on Investment of Sinking Fund, \$648.02; Appraisal Fee, \$2,578.31; Legal Fees, \$1,750.90, and Balance; Deficit on Year's Operations to December 31st, 1917, \$22,200.92.

The statement of assets and liabilities for the year ending December 31st, 1917, being the Agricultural Credit Commission accounts are as follows: Cash, Canadian Bank of Commerce, current account, \$128,247.96; Cash on hand, \$305.85; Bank of Commerce coupon account, \$766.64; Discount on debentures sales, \$142,613.34; Furniture and fixtures, \$616.22; Loans on securities of first mortgages, \$665,843.26; Overdue interest, \$2,086.12; Accrued interest on loans, \$10,730.27; Sinking Fund, \$26,504.32. The deficit for 1916 was \$19,015.32. Adding the 1917 deficit of \$22,200.92, there is a total deficit to the end of last year of \$41,216.24. The total assets are \$1,018,930.22.

On the liability side of the account the items are as follows: Debentures, \$1,000,000; Appraisal fees, \$277.50; Coupons unpaid, \$1,147.50; Accrued interest on debentures, \$7,500; Outstanding accounts, \$10,005.22; making total liabilities of \$1,018,930.22. The Land Settlement Board purchased \$53,000 Victory Loan Bonds, of which to above date 10% were paid. This investment is for sinking fund account.

The Land Settlement Board, acting under its own powers, and apart from the operations of the Agricultural Credit Commission, granted 163 loans, involving \$332,650, of which six were withdrawn or cancelled, totalling \$13,500, making a net amount of loans granted 157, totalling \$319,150. Of these loans there have been paid to borrowers \$60,576.15, leaving the amount owing by the province to complete loans of \$258,573.85.

Mr. R. D. Thomas, formerly secretary-treasurer of the Pacific Great Eastern Railway, has taken out a commission with the Canadian Railway Corps and is proceeding to France to join his old chief Gen. J. W. Stewart.