

Q. We would feel very much more enthusiastic about Manitoba and Saskatchewan if we had the amount of unpaid instalments and unpaid portions of capital.—A. Mr. Chairman, even supposing there is a considerable amount overdue, I think that is only a perfectly natural state of affairs, and that you cannot condemn the mortgage business—

Q. I am not condemning the mortgage business, do not infer that for one minute; I am only saying that we, or personally I would feel more enthusiastic about recommending the system of Saskatchewan and Manitoba if I knew more about it, and had some of the information which is vital to me before I can form a reasonable opinion upon the situation.—A. The Farm Loan Commissioner in Manitoba, Mr. Laughlin McNeil, told me a little while ago that they had not made any losses.

Q. There has been a very interesting report prepared by a gentleman named Jackman, who had a somewhat different view.—A. But that does not relate to this matter at all.

Q. What is the name of that gentleman?—A. Laughlin McNeil, Farm Loan Commissioner, Farm Loans Association, Winnipeg, Manitoba, or Farm Loans Board.

One suggestion I would like to make as to how this can be done is that you should utilize the Provincial systems now in existence in Ontario, Manitoba and Saskatchewan at least, and other similar systems which may be created, and that the Dominion Government should give assistance to them by purchasing their bonds, that the Dominion Government should provide the money to be loaned through those associations.

By Mr. Caldwell:

Q. What security would the Dominion Government have; should it take security direct from the province for this money?—A. The bonds issued, they are provincial bonds.

Q. The Dominion Government should buy provincial bonds?—A. The Manitoba Farm Loans Association I believe is contemplating making an issue of bonds of its own. They believe that they can issue those bonds just about as well as the Provincial Government can, because they have the security of all the mortgages, and if the Dominion Government would provide the money in that way, it would enable the farmers to get their money at a low rate of interest.

By Mr. Sales:

Q. You think the Dominion Government should charge that interest to them, or follow the United States example?—A. The United States Government only provided some capital to start the thing. The Federal Government did not give them their bonds free of charge.

By the Chairman:

Q. If the Dominion Government supplied an amount comparable to that supplied by the United States Government to help found their Land Banks, which I understand was some \$9,000,000, and if their population is roughly twelve times our population, I suppose the Dominion Government would supply something less than \$1,000,000—A. But that was capital, Mr. Chairman; that was only a small proportion of the loanable funds; the great proportion of the loanable funds came by bonds.

Q. And those are the bonds to the credit of the organization itself, and do not represent funds supplied by the Government of the United States?—A. No, sir.

[Mr. John W. Ward.]