

country. Companies eligible to become member companies of the proposed central mortgage bank now confine most of their lending activities to mortgages on non-farm homes. Consequently, the provisions of the bill designed to make available long term funds at low interest rates to be lent in accordance with the principles in subsection 3 of section 22 of the bill would have little practical effect; and disagrees with amendment No. 1 for the following reasons:

1. Because this amendment would deprive farmers who entered into agreements for sale during the year 1938 at a time when grain prices were high, and following a year in which there had been a good harvest, of the privilege of having their agreements for sale adjusted in accordance with the provisions of the bill.

2. Because in many cases the original cash payments made by such farmers were very small and with the decline in prices and poorer crops in the year 1938 such farmers now have little or no equity in their farms;

And that the clerk do carry the said message to the senate.

It only remains for me to indicate the purport of those amendments with which I recommend agreement. Amendment No. 7 is a clerical amendment only: after the word "and" insert the word "that."

Mr. STEVENS: Where?

Mr. DUNNING: On page 7, line 35 of the bill. Amendment No. 10 is on page 9, line 9: after the word "other" insert the word "lawful." I agree with that.

Amendment No. 11, is on page 9, lines 47 and 48: leave out "and dividends accumulated."

Amendment No. 12, is on page 10, lines 1 to 4 inclusive: leave out "together with such other provisions as the governor in council deems necessary to give effect to the provisions of this act according to their true intent, meaning and spirit." Those words are left out, and by another senate amendment, No. 13, a new subclause 3 of clause 16 is inserted on page 10, line 13, being exactly the language of the amendment deleted from its former position.

Amendment No. 14, is on page 11, line 20: after the word "adjusted" insert "or to be adjusted." There is no disagreement with that.

Amendment No. 16, is on page 11, line 24: add at the end of clause 19 the following:

except in cases where the debtor has refused to agree to the adjustment of the mortgage or where any other person whose consenting to the adjustment is necessary has refused to consent.

This covers a point which was discussed in our own House of Commons banking and commerce committee, and I have no objection to the amendment.

These are the particulars, Mr. Speaker, of the amendments with which we might agree, and I accordingly move the resolution as read.

[Mr. Dunning.]

Mr. DANIEL McIVOR (Fort William): Mr. Speaker, it may be that fools rush in where angels fear to tread, but in my opinion it is an outrage that for another year those who are loaded down with the burden of heavy interest charges must keep on paying them. I am not giving abject support to anyone, but I would ask who is governing this country—sixteen members in the other chamber or the elected representatives in this House of Commons? I cannot keep quiet, because this legislation is long overdue; and I am going to ask the acting Prime Minister (Mr. Lapointe) if it is not possible for us to pass this legislation in some other way so that it can immediately become the law of the country.

Mr. LAPOINTE (Quebec East): I would suggest that my hon. friend reserve his remarks until it is apparent that the senate has refused to accept the views of the house.

Hon. C. H. CAHAN (St. Lawrence-St. George): Mr. Speaker, I do not intend to enter upon a rediscussion of the merits or demerits of this bill; but speaking for myself personally, I am pleased that the decision taken by the senate reaffirms the principle of parliament assisting, even by large grants of public funds, our great agricultural industry throughout the length and breadth of this country. The relief of the distressed condition of the farming industry, especially in the three provinces of the middle west, is a matter which has been the subject of frequent discussion and one with respect to which all parties in this house have hitherto agreed, except when my hon. friends opposite were in opposition.

But with regard to urban mortgages I have heard no distinct demand from any part of Canada that this measure should be enacted to relieve these mortgagors of home urban property who have ability to pay.

An hon. MEMBER: Why not?

Mr. CAHAN: Simply because it is not the duty or the obligation or the responsibility of this house to appropriate public funds for the relief of private debtors except in a case of extreme emergency, as I have stated on other occasions in this chamber when I have spoken with reference to this measure.

I regret that the government have taken the position which they now take. I think it would have been far better to have allowed these amendments to be adopted here in order that for a year at least this measure of relief may be given to owners of farm property, especially those who reside in the three provinces of the middle west, and who, speaking generally, it is stated—and I accept the state-