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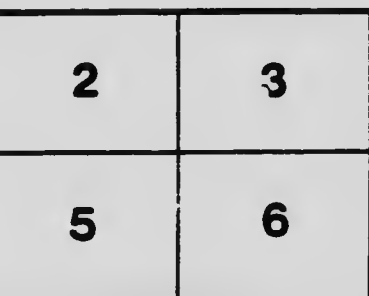
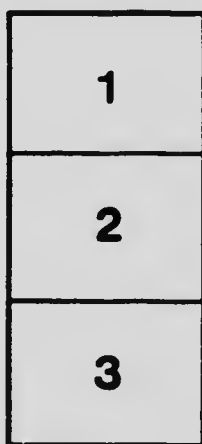
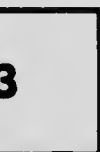
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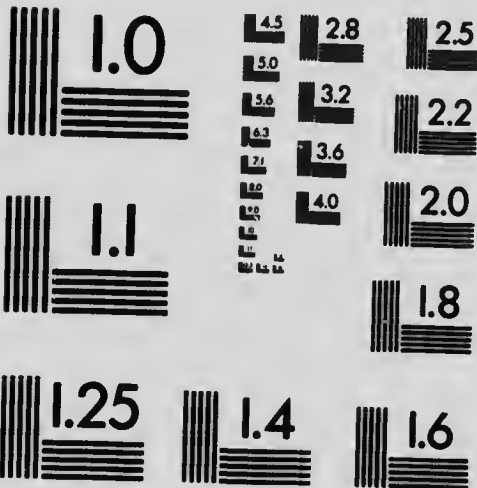
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*The*  
**Canadian Credit Men's Trust  
Association, Limited**

(Incorporated in Ontario)



**Agricultural Credits**

*Address presented by*  
**Alexander Lucas, M. P. P.**

*at a*  
**Monthly Meeting**

*held at the Commercial Club, Vancouver*

*on July 17, 1932*

Our Slogan for 1915

**"PRODUCE SOMETHING"**

*The Irish Patriot in 1915*

*will be*

*"The Children who cause two blades of grass  
to grow where there was only  
one before."*

## AGRICULTURAL CREDITS

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MR. ALEX. LUCAS, M.P.P.:—

Mr. Chairman and Gentlemen—

I am very much pleased to have the opportunity of appearing before you and explaining what action has been taken in reference to providing an agricultural credit system for the Province of British Columbia. The system in its broader sense includes the whole land settlement question. If there is any body of men particularly well qualified to pass judgment on this question it should be the Credit Men's Association. You are trained in extending credit and possibly some of you have to ask for credit sometimes. You are also very well aware of the position you would be in if you could not get it and if the people with whom you are dealing were denied it. For that reason I hope to have your sympathy in laying before you a scheme which has for its object the creation of some financial machinery whereby those engaged in agriculture may be able to obtain credit on terms suitable to their business, in the same manner as you can obtain credit from the chartered banks on terms suitable to your business.

The fact that the farmers of British Columbia are producing only about half of what is consumed in the province has led to an agitation to place more people on the land and representations have been made to the Government with the idea of inducing them to take some action to increase farm production. The answer received was that it would be useless to place people in the valleys of British Columbia, scattered as they are and widely separated by ranges of mountains and other impassible barriers, without transportation. It would be no use placing men on the land unless suitable means were provided for the transportation of what they produced to the markets. That meant railways and waggon roads, and that when these were completed or within measureable distance of being completed the Government would take some energetic action towards promoting agricultural development.

### Agricultural Institutes Interested.

About three years ago when the Farmers' Institutes met in Victoria a resolution was passed asking the government to appoint a commission to inquire into all questions affecting the agricultural industry in the province. I may say there had been many schemes and plans suggested to the Government. Some people wanted them to buy machinery and lease the machinery to the farmer, here wanted the government to clear the land and give ready m

to all comers; others claimed that we required some adequate form of agricultural credit. About three years ago, the Government, in response to the resolution of the Farmers' Institutes, appointed a Royal Commission to enquire into the whole question and to make recommendations. I was one of the members of that Commission. I may say that I was the principal advocate of the agricultural credit system, holding that all the other improvements would follow quickly, if we had a good agricultural credit system. To have co-operation you must have production; to have production you must have cleared land; to have cleared land you must have capital or credit; and to obtain credit some machinery must be provided to enable the farmer to obtain it on the security of his land.

### **No Credit for Farmers in Province.**

There is no such machinery in this Province and there are no monetary institutions in the Dominion of Canada that will loan money to farmers to make permanent improvements of a productive nature on their land, on terms suitable to the industry. Experience has proven that the terms should be:

1. For a sufficiently long period to enable the farmer to meet the payments out of the revenue derived from his farm and leave him a sufficient surplus to enable him to adopt a decent standard of living:
2. At a low rate of interest not to exceed  $4\frac{1}{2}\%$  or  $5\%$ : The payments should extend over a period of from 30 to 40 years, repayable by equal half-yearly payments: The Farmer must have the privilege of repaying in full or in part at any time during the currency of the loan; the experience of other countries proves that there will be no foreclosures and no losses on loans made on such terms.

It is possible to establish such an Agricultural Credit System in British Columbia as I will prove to you later on.

I was General Assessor in this Province for about ten years and in the discharge of my duties I came in contact with the farmers in all parts of the Province and have had exceptional opportunities to observe conditions, and I assure you that the principal cause of the lack of agricultural development is the absence of any means whereby the farmer can obtain credit on the security of his land. It is not that there is not land enough for all who wish to take it—it is that the farmer without capital or credit is unable to bring the land under profitable cultivation. There are hundreds, yes, thousands of abandoned pre-emptions in this Province, and they were abandoned for that reason and no other.

When the Commission met we decided that our first duty was to find out what the conditions were in the Province. Having ascertained conditions as they existed, it was our duty to find the remedies and make such recommendations to the Government, as we believed

would remove the obstacles. To start with, we held meetings all over the Province, travelling for about six months in every part of the Province where there was any settlement. We held meetings and took evidence on oath. We came back to Victoria firmly convinced that the first and most important need was some system of Agricultural Credit.

### Opinions Changed.

When we started out there were two or three members of the Commission who were opposed to the Government guaranteeing bonds to raise money for loans to farmers. They thought it flavored of paternalism. I mention this fact to show that these men, after travelling over the country for six months and seeing conditions as they really existed, came back firmly convinced that the lack of an agricultural credit system was one of the principal causes of our lack of agricultural development. There were many other causes and I will briefly refer to some of them.

The disadvantages of the unorganized farmer in disposing of his products as against the highly organized business interests which prevent him from receiving a fair return for his products.

Lack of effective co-operation, lack of agricultural credit, high cost of clearing, drainage and irrigation are the primary causes.

Among the secondary causes which discourage people from locating on the land and remaining there were, lack of social opportunities, lack of time for rest and recreation, lack of modern conveniences in the house,—the narrow and burdensome life of the women on the farm, lack of rural mail delivery and telephone systems, and lack of revenue to justify the farmers in adopting a higher standard of living.

The present systems of cold storage and transportation are such that the products of all countries are practically available for competition with the local produce, and the farmers in this country labored under the additional disadvantage of having little capital and no credit, compared with New Zealand where they have all the money they need at 4 per cent. Butter can be laid down from New Zealand in Vancouver as cheaply as from the interior points in the Province.

Those are some of the causes that retard the development of agriculture in British Columbia.

To seek remedies for this state of affairs, we decided to split up our Commission; Mr. Hayward going to Europe to study agricultural credit systems in force there; I was deputed to go to Australia and New Zealand for a similar purpose; Mr. Campbell proceeded to the Northwest territories to study the marketing problems; Mr. Duncan went to Idaho and Washington to study the dairy and small fruit question; Mr. Shannon to Wisconsin, Minnesota and Ontario to study the dairying and land clearing questions and Mr. Kidston to California and the Coast States to study fruit and co-operative questions.

### International Institute.

About the time Mr. Hayward went to Europe, the United States Federal Government had also taken up this question and were sending a delegation consisting of two men from each state in the Union to Europe to study the agricultural credit and co-operation systems in force there. They were to have the assistance that their Consuls in the different countries could render and with the information placed at their disposal by the International Agricultural Institute at Rome, they would be in a position to make a very thorough inquiry. They invited the Dominion of Canada to send representatives; Saskatchewan sent two and Ontario sent two.

Possibly some of you may not be familiar with the work of the International Institute. It owes its origin largely to the efforts of Mr. David Lubin, a public spirited citizen of the State of California. He induced the Italian Government to take up the question and they extended invitations to every civilized country to join in the establishment of such an Institute. Forty different nations responded and there are now fifty-five nations belonging to the Institute. It is maintained by grants from the different Governments, each of which may be represented by a resident agent. Mr. Deering represents Canada, New Zealand and Australia.

They gather from every civilized country the latest data in regard to agricultural development, legislation, educational systems, marketing, co-operation, and all other matters affecting the agricultural industry. Their experts classify, translate and publish in pamphlet form all this information.

I have been in receipt of their publications for some years and was well informed in regard to all the Agricultural Credit systems in force in the different parts of the world,—as well informed as a man could be by reading their reports,—and I was firmly convinced that a system along the lines in force in New Zealand would very nearly meet the requirements of the farmers in British Columbia. As stated before Mr. Hayward investigated the Agricultural Credit and Co-operative systems in force in Great Britain and Europe. He had the benefit of the findings of the Agricultural Committee from the United States. I went to New Zealand to investigate the workings of the system on the ground. Conditions in New Zealand very closely resemble those here. There is a heavy rainfall on the Coast and there are dry belts in the interior. It is a heavily timbered country on the Coast with lighter timbered districts in the Interior and some prairie. There is a range of mountains through the centre of both islands; the country enjoys a mild winter. The Government of that country, as you know, owns all its public utilities such as railways, telegraph lines, waterworks, street railways, etc.

For twenty years previous to 1895 extensive public works were carried on by day labor. The country appeared to be very prosperous, but the time came when their credit began to run low. Their exports were small, chiefly pastoral products, such as mutton, tallow and hides, etc. They were unable to meet their obligations by their exports and after due consideration they realized some effort would have to be made to increase their productions. They studied their whole surroundings carefully and decided the agricultural industry was the one that offered the greatest opportunity for expansion. They studied the European agricultural credit systems, particularly that in force in France, and then adopted the system they have in force today.

### System in New Zealand.

Briefly it consists in this: They passed an Act authorizing the appointment of a board of commissioners to hold office for stated periods; to be independent of the Government; to have power to issue debentures. The Government guaranteed the debentures, sold them in London, brought back the money and placed it at the disposal of the Commissioners to be loaned to farmers for the purpose of increasing the amount of their land under cultivation and in any other way that would result in increasing the agricultural production of the Dominion.

The rate of interest they charged was 1% more than the bonds. That 1% was to go to pay flotation charges, working expenses, and to create a reserve fund for the purpose of providing against any individual losses. The terms of payment were equal half-yearly, extending over a period of from 31 to 36 years. The bonds bore 3½% interest and the extra one per cent made 4½% which the farmer had to pay. In the judgment of those men one and a half per cent on account of principal was as much as farmers could reasonably be expected to repay annually. In some cases where a man was starting and had not the necessary stock, a further extension of time for five years was given him in which only interest would be paid. A sum equal to 6 per cent. on the principal, paid half-yearly for 31 years paid off principal and interest. The borrower has the privilege of paying off at any time the whole or any portion of the loan.

During the 18 years the system had been in force up to the time of my visit, they had loaned over \$65,000,000. During those eighteen years there had been only 35 foreclosures and no losses of any account. The net profits after paying flotation charges and working expenses left a balance of over \$1,500,000. And remember, the flotation charges on the first loan were very heavy. The loan issue was at 3½% interest, but was floated at a discount which brought only 94 cents on the dollar. So to start there was a discount of 6 per cent. off the face of the loan. The 1% in eighteen years created a fund sufficient to pay that discount, flotation commissions, losses, working expenses, and accumulated a surplus of over \$1,500,000.

### **Allied Industries Gained.**

The results, which were largely attributed to the introduction of the Agricultural Credit system were simply wonderful. Business failures decreased 50%. Deposits in the bank which were very low at that time, within eighteen years had increased to such an extent that they had one bank account for every two and one-half people in the Dominion. That is the largest proportion of any nation in the world. To the credit of those bank accounts there was a sum equal to \$207 each, which is the largest amount of money to the credit of any community of similar size and population in the world. In addition to that they are now carrying \$67,000,000 of their own National Debt. That is a showing not to be equalled in any other country that I have any knowledge of.

### **Increased Production.**

The land under cultivation increased four-fold. At the time the system was introduced New Zealand was exporting very little. In 1912 they exported \$111.00 per head of her population, and last year it was \$115.00. This year estimated \$120.00.

Mr. Massey, the Premier of the Dominion and Minister of Agriculture, says: "Never in the history of the Dominion has agriculture and allied industries presented a prospect more encouraging to primary producers and more significant of increased national wealth. Statistics to hand for the present year shows a greatly increased toll of wealth extracted from New Zealand soils."

That is the largest export per head of domestic products of any country in the world. Australia exports \$79.00 per head. Australia has a similar system to New Zealand but it does not raise the money in the same way. Australia depends largely on her State Savings Banks; but in times of stringency, as you can understand, deposits were withdrawn and loans had to be curtailed. That was avoided under the New Zealand system with her bonds extended over a long period of years. They are able to pass through hard times or money stringency without a quiver so far as the agricultural industry is concerned.

Compare their export with the Dominion of Canada. When that system was introduced in New Zealand, Canada was exporting more than New Zealand, but today the Dominion of Canada is exporting only \$40 per head of domestic products as compared with \$120 per head exported by New Zealand, and this is attributed almost wholly to the introduction of the Agricultural Credit system. If the Dominion of Canada had introduced a similar system 18 years ago and had it worked as well here as it did in New Zealand, we would now be exporting annually six hundred million dollars worth of domestic products more than we are. That extra six hundred millions would come in very handy today, would it not?

The effect in other ways is worth noticing, and has a great effect in keeping people on the land. I will read from the report of a committee of gentlemen who visited New Zealand to enquire into agricultural conditions. After reciting the history of the Agricultural Credit system in New Zealand, they go on to state as follows:

"With money thus available on terms suitable to the industry, the farmers have built better houses; have remodelled their old ones; brought a large acreage of land under cultivation that would otherwise be lying idle; have bought and kept better livestock; have bought and used more labor saving machinery on the farms and in the houses; have erected elevated tanks and windmills; have laid on water in their dwellings and in their outbuildings; have irrigation for their vegetable and flower gardens around the houses and have increased their dairy herds. They keep more sheep and pigs and have so largely increased the revenue from their farms that they are able to meet their payments on their mortgages and to adopt a higher standard of living and a better one. Throughout the country a higher and a better civilization is being evolved; the young men and women who are growing up are happy and contented to remain at home on the farms and find ample time and opportunity for recreation and entertainment of a kind more wholesome and elevating than can be obtained in the cities."

The Agricultural industry is no different from any other industry; if you want to increase the output you must put in more capital, and more labor. The industry is entitled to and requires a credit system just as much as any other industry in the country and on account of the nature of the industry the credit must be a long one. With long term credit supplied there is no difficulty in obtaining from the chartered banks loans for the season's work. Many farmers loan one to the other and in no place that I visited did I find hardship through the lack of short term credit; that is for carrying the farmer over his season's work. When I visited New Zealand the Government was in session. I interviewed the Premier and the ex-Premier, and the leaders of the Senate; I interviewed the opposition papers and the papers supporting the Government in office and I interviewed the Labor Party and the Socialist Party and many private members of the House; and in no case did I find anyone who did not attribute their great agricultural prosperity to their Advances to Settlers Act. In Australia I visited Queensland, New South Wales and Victoria when the State Governments were in session, and Melbourne when the Commonwealth Government was in session. There are 777 members of Parliament in the Upper and Lower Houses and the State Governments of New Zealand and Australia. As stated before, I interviewed many of them, and I was assured there was not one member and not one newspaper but what supported Agricultural Credit in those two countries.

Now as to the desirability and the need. We are told by the general manager of the Bank of Montreal that Agriculture is the backbone of the country. All the bank managers are making similar statements;; Mr. White, the Minister of Finance, is advocating increased production. Sir George Paish, a man of international reputation as a financier and a financial critic, who is special adviser to the British Chancellor of the Exchequer and Editor of the Statist, his condemnation of a loan would be pretty nearly enough to smash it on the London market, and his approval would be pretty nearly sufficient to float it. Here is what he says to the Canadian people and to the British investor: "I have no doubt of the ability of Canada to carry the existing burden of interest amounting to nearly £4 sterling per head, but for some years the burden will require stringent economy in national and municipal as well as individual expenditure. I am convinced that every possible effort will be made by all concerned; the Canadian Government, the Provincial Governments, the Municipalities, the great Railway Companies, Bankers, travellers and others as well as British investors, to increase rapidly the agricultural and mineral output of the country upon which the welfare of the Canadian people both individually and collectively absolutely depends."

That is also the opinion of Mr. Russell French, the Manager of the Bank of New South Wales. Mr. French is directly interested in a loan company closely allied to one of our institutions in Canada and loaning large sums of money in Vancouver, Victoria and in cities down the Coast. He assured me that while, as a banker when this system was introduced he was opposed to it, because he felt it was not sound finance and because farmers had not a record for meeting their obligations promptly, he was now pleased to tell me the very opposite was the case. The farmers met their obligations promptly; the system had been of vast importance to the farmers and resulted in enormously increasing their exports. The manner in which other industries are interested in this matter can be easily seen when you come to give it serious consideration. I do not wish you to go away with the idea that I am advocating this system for the purpose only of helping the farmer and the agricultural industry. It is a system that helps other sections of a community to a greater extent even than the farmer.

You are all aware that if the farmer is prosperous the country is prosperous; but have you figured out exactly how much goes to the farmer and how much goes to other members of the community? That has been worked out in Saskatchewan. We have not in British Columbia a statistical department sufficiently correct to justify us in giving particulars but in Saskatchewan a Royal Commission has worked this out. They found, after hearing the evidence in some thousands of cases that the cost of producing a bushel of wheat was 62 cents. Over a period of five years, the average selling price in

the elevator at the railway tracks and before the freight was paid was 66 cents, leaving 4 cents profit to the farmer. This figure is based on allowing the farmer a fair living wage but not interest on capital invested. That amounts practically to 6 per cent. so that 94 per cent goes out in other ways to other interests. The margin the farmer has to go on is very small in any event and wheat offers perhaps a higher one in general than any other product.

I will give you an example of apples shipped to Calgary and sold at \$1.10 a box. The charges that come back are: Commission to commission houses 20%—22c; brokerage charge 2½ cents a box whether the apples are sold or not and five cents a box if they are sold through them; freight 30 cents a box; overhead charges in the Okanagan—boxes, packing, paper, and delivery on the train, 40 cents a box; selling agency, 10 cents a box, making a total of \$1.04½ cents a box. That leaves for the grower 5½ cents a box; that is the margin they get with apples selling at \$1.10 a box to the wholesaler in Calgary. In some cases the conditions are very much worse.

When you realize that so much of the wealth that comes out of the ground is distributed among the other people and industries you can see that this question of increasing production is not brought forward solely in the interests of the farmer but of the whole community. For that reason we ask you all to join, in urging upon the government the passing of an Act similar to that in force in New Zealand. I see that we were assured by the Attorney General at a meeting in Grand Forks that it is proposed to introduce legislation along these lines. We have had a sort of semi-official assurance for some time to the same effect, but it is not out of place to have an expression of opinion from a body of trained men like you, men trained in the giving of credit.

If the statements I have made are true and I submit they are, and they meet with your approval, then I claim it is your duty to take some action which will bring pressure to bear upon the government. You realize how your business would suffer if you could not secure credit or if the credit you had was suddenly withdrawn. Well, today the farmer is in just that position.

It is all very well to increase the production but the next question is to secure some fair return for the crops that he has grown. We have transportation now, railways and waggon roads fairly good through a very large district and possibly far in advance of what the production is. But even then we are not getting a fair return for the produce. Co-operative companies have been formed but we find that they are working practically one against the other. There was a case the other day where one co-operative company was selling crab apples at a certain price, but another company under-bid them a certain amount per box, which amounted to \$1,100 on the three carloads.

The growers lost \$1100 and the dealer was that much to the good. We realise in our travels through the Province that the co-operation of just a few would bring but very little benefit. We realize we must have a selling end, a selling agency. We don't say there will be no middle men but there must be a central selling agency which will insure the shipment of all produce properly graded. We think that to be too large a task for the farmer unaided and have recommended to the provincial government the establishment of a commercial department within the agricultural department, to be presided over by men of known experience and ability, the very best business men are none too good for that position no matter what salary has to be paid; that commercial department to be entrusted with the organization of the whole province under a broad comprehensive system of co-operation. We believe that that board will have the co-operation of the railway companies. We have discussed the matter with the G.T.P., C.P.R., C.N.R. and the B.C.E.R., and are assured by the representatives of those companies that they will be pleased to join in common with the Government of British Columbia and possibly with Alberta and Saskatchewan in bringing about a co-operative system on a broad scale which will largely result in increasing inter-provincial trade. The exact plan by which these ideas will be carried out has not yet been worked out but we believe that it is possible.

We have a precedent for going to the Government for such assistance. There was the government guarantee on shipments of fresh fish as far east as the western boundary of Ontario from this Province and as far west as the eastern boundary of Ontario from the Atlantic coast. Then there was the government aid to the silver lead industry, to the iron industry and indirectly through the tariff to many other industries. I believe that the railway companies can be brought to co-operate. I think they would be willing but whether they can give a preferential rate for Dominion produced products I am not sure. But there is nothing to prevent them from joining in the co-operative plan in contributing their share to the policy proposed to be introduced.

We have also recommended that an agricultural board be appointed. That board will take the place of the Horticultural Board which has no doubt done a great deal of good for the fruit industry. The fruit industry is being advanced almost to the neglect of the other branches of the agricultural industry. We propose that the agricultural board shall consist of representatives from each of the various associations, the stock breeders, dairymen, poultrymen associations, Farmers' Institutes and agricultural associations generally, together with three men appointed by the government. These three men shall be specialists and this board will be able to advise with the Minister of Agriculture in all matters pertaining to the agricultural industry. They will only be paid for the days they meet and their travelling expenses—possibly twice a year for a week or two at a time. That will place

at the disposal of the Minister of Agriculture a capable board of agriculture. Ministers change, and they are not always men who are thoroughly interested or posted in farming subjects.

Before I close I would like to refer to the financial aspect of the question. We as commissioners hold there is no possibility of the government losing a dollar by reason of guaranteeing bonds for the purposes I have described. First, because each \$1,000 loaned will have \$1,400 security in the shape of improved farm land; secondly, because each loan is given to a carefully selected man, a man who is known to be honest, industrious and of good habits; thirdly, to insure that the money borrowed is going into the farm it is not advanced until the improvements for which it is required have been performed. The idea is to help those who are helping themselves.

Then there is the rest fund, the one per cent. extra which is charged, and there is the experience of other countries where similar systems have been in force. We are told that in all the countries where similar systems have been introduced as much as \$1,000,000,000 has been advanced, and no loss incurred not provided for by the 1% and several million dollars surplus has accumulated.

Look at New Zealand where \$65,000,000 have been advanced and after eighteen years only \$31,000,000 is outstanding. In Australia the same holds good. There were no losses. But take the case of Saskatchewan, according to their Royal Commission, the farmers of Saskatchewan owe on mortgages the sum of \$86,000,000, a sum equal to \$50 an acre for every acre owned. It is estimated that not more than half the land owned is under cultivation so that practically the land under cultivation is loaded to the extent of paying interest on \$10 an acre and their rate of interest is running all the way from 8 per cent to 15 per cent, with the average at 10 per cent. and the life of the mortgage usually from three to five years. In the fifteen months preceding the making of their report there were 1780 foreclosures with an equal number of foreclosures begun, not carried out but renewed at an increased rate of interest. That is the result of loans falling due before a farmer is able to meet his payments out of the earnings of his farm. The equity of redemption wiped out by reason of these foreclosures amounted, I am told, to over \$1,000,000. Such a large amount of land has been taken over by agricultural implement companies and loan companies that one of the companies is starting a department to dispose of the land.

In New Zealand there were only thirty-five foreclosures, most of those through death and other reasonable causes. There was one case of a man who went largely into debt. He owed the merchants for groceries and other things a large amount of money and skipped

out. The inspector went up to investigate the condition of the farm. He reported the farm was absolutely good security for the money advanced but in bad repair. The windows of the house were broken, fences were down and the farm had grown to weeds. The inspector sowed it down to grass and spent one hundred and twenty-one pounds sterling in making repairs. In eighteen months the farm was sold and the man's debts that had been filed with the Public Trust were wiped out. When a man fails the Public Trust takes hold of the estate and if they think it is worth nursing they will do so. Five years passed by and one of the gentlemen to whom money had been owed by the farmer got a letter from him enclosing a ten pound note in redemption of the money he borrowed the night he went away. This money was handed over to the Public Trust. They sent him a letter saying that his debts were all paid and there was one hundred and seventy pounds sterling to his credit with them and if he would call at the government office he could get the money by signing the necessary vouchers.

We also hold that the bonds can be floated without impairing the credit of the Province. We went very carefully into this and made very exhaustive inquiries and as you will notice by Sir George Paish's statement, agriculture is one of the investments in Canada to which money must continue to be advanced in order to increase production. By private conversations I have had, communications I have seen and what I saw and heard in New Zealand and elsewhere I know that is the feeling of the British investor. They believe there is quite enough money loaned to public corporations, municipalities and so forth and that they must loan in order to increase the agricultural output for the purpose of protecting the other investments which they have made. We say emphatically it would not impair the credit of the Province, for these reasons. It would increase the amount of money brought into the province through the export of farm products; by increasing the revenue for the railways, the bonds of which are guaranteed by the province; by increasing the employment of men on the farm; by increasing the prosperity and contentment of all classes; by the increased prosperity of allied industries: and, finally, we have the statement of Sir George Paish that the welfare of the people of Canada both collectively and individually absolutely depends upon increasing, rapidly, the agricultural output of the country, to enable them to meet their obligations, and that the British investor will make every effort to assist them. Now the only way the British investor can assist us to increase the agricultural output of this country is by loaning us money for that purpose, and, I am assured that they will do so if the necessary financial machinery is provided, and by so doing they will strengthen and make more secure the money they have already invested and greatly assist the people of Canada to carry the existing burden of interest and enable them to meet their obligations by the export of domestic products.

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