

*Agriculture*

One province went ahead and put the program into effect. That Province was British Columbia. There are less bankruptcies in the agricultural sector in B.C. than in nearly every other province. That does not mean it has eliminated the problem, but the program we offered superseded everything they produce, other than for cow-calf producers. We said we were willing to negotiate that item with the other provinces, even with the province of British Columbia.

● (1610)

In the past we have suffered from a balkanization of the industry as a result of a variety of provincial stabilization programs. While I can sympathize with the desire of the provincial governments to help their farmers, I think it is important that agriculture is treated equally across the country. In a newspaper editorial I was lambasted because they did not understand what equity and equalization meant. The rich provinces with tremendous resources in their coffers can bring forward programs to assist producers, whereas the have-not provinces do not have those resources, and their producers compete in a very unfair fashion. The inequality that exists between us is terrible. Some provinces have money to pave every road, to provide natural gas, to provide loan programs and subsidize interest rates. For instance, under loan programs in Alberta farmers are getting up to \$600,000. When the interest rate is figured out, it amounts to about 6 per cent for that special group of farmers.

**Mr. Hargrave:** There is no cattle program in Alberta.

**Mr. Whelan:** The hon. member knows where they are getting the money. They are using some of the money from the heritage fund.

**Mr. Hargrave:** No.

**Mr. Whelan:** Then there is that great free system in Alberta called the Alberta trust. That is their banking system. It is owned by the government of Alberta. I must say they are distributing some of the surplus earned on high interest rates in fair interest loans to some of their farmers. That is commendable. They increased their profits by 345 per cent and said they would distribute some of the profits to some needy people. That is commendable. Hon. members talk about me yelling about other banking institutions in this country, but I will touch on that shortly.

We talk about stabilization and different programs in our provinces, but even the minister of agriculture in the province of Alberta wants a national program for beef. Yet when all of the provincial ministers are seated together, they cannot agree on what kind of a national program we should have. Hon. members talk about leadership. The hon. member who represents that great constituency in Manitoba, his constituency name escapes me for the moment—

**Mr. Mayer:** It is Portage-Marquette.

**Mr. Whelan:** When the hon. member for Portage-Marquette (Mr. Mayer) talks about leadership, does he want me to

impose a red meat marketing commission and provide leadership like R. B. Bennett did in 1935? When I see the hardships, I am about ready to provide some of that kind of leadership. We have tried persuasion of every kind that we can think of to get the provinces to go along with a national program. I must give the minister of agriculture from Alberta some credit, because he has withstood some pretty rough meetings lately, but he seems to be staying with the philosophy that it is better to have an all-Canadian program. We are not that far apart.

The hon. member talked about the cattle feeding program in Ontario and about the cattle feeders being especially hard hit. I will have to take hon. members on a little tour of that part of Canada. Ninety-nine per cent of cattle in those feed lots are fed by the feed the farmer produces on the land he cultivates himself. I am told that not 1 per cent would be bought feed from any other source. We could take hon. members to areas where there are 1,400 acres of corn which are put in pit silos and upright silos, you name it, wet corn, etc. They are pretty well self-sufficient.

However, they got into a lot of difficulty, and I find this rough. I have appealed to the bankers to get into the farm loan business. I have hundreds of letters from farmers; some of them sent me complete financial statements and some of them hardly owed a penny five years ago. These farmers borrowed on demand notes, which is a floating loan. The amounts they borrowed varied from \$250,000, \$300,000 to \$350,000. Money should not be lent for those kinds of physical structures in rural Canada. Floating loans is an improper way to lend money. Lending should be at a fixed rate with at least a ten-year mortgage and possibly a 15-year or 20-year mortgage. Ninety per cent of those people in financial difficulty today would not be in financial difficulty if they had a fixed loan.

**An hon. Member:** That is what we said.

**Mr. Whelan:** That is why I said that under the Bank Act the banks have the authority to do that. They have the authority to do just what the Alberta trust is doing at the present time. Under the Bank Act the banks have the authority right now to give long-term mortgages at reasonable rates of interest. Some of the bankers come out with stories like: "Well, Whelan knows that when we have a dollar on deposit and we are paying 17 per cent interest on it, we have to make a profit on it."

**Mr. McDermid:** Speak to the finance minister, that great supporter of the banks.

**Mr. Whelan:** But the banks loan out that dollar at least ten times. In some instances they can lend it as many as 75 times. So when the banks talk about profits, we should make sure the banks put their profits back into the rural community. Last year the banks collected \$1.5 billion in interest from farmers. This year the banks will collect more than \$2 billion in interest from farmers. The Bank Act allows the banks to distribute some of that wealth in any fashion they see fit. Are hon.