

Farm Credit Act

inces, in short we have too much of everything. Have you ever heard that a worm dies in an apple because the apple is too big? It is exactly the point we have reached right now.

Within the next few weeks, when 600,000, 700,000 or 800,000 unemployed students will be asking for integration into our society and a summer job, there will be nothing we can do for them. Because we have too much of everything, are we going to let people live in misery? Mr. Speaker, this is not the solution. It is our barbarian financial system which aggravates the problem through class struggles.

Therefore, we say: Let's give through the Bank of Canada. For some people on the government side this seems to be a laughing matter. Nevertheless, the Bank of Canada should be instrumental in giving to the people of Canada the purchasing power which will enable them to buy the products existing in Canada. We shall then be witnessing unity in Canada and mutual respect among the provinces. The people will be satisfied because the government shows results which they expect through its administration.

• (1540)

Mr. Marcel Roy (Laval): Mr. Speaker, I listened with keen interest to the hon. member for Témiscamingue (Mr. Caouette) speaking in the characteristic breezy manner which he always uses to take us, with his acknowledged eloquence, on a tour of farming from East to West. Unfortunately, he is speaking of farming as it existed in the Ford car era of 1929, of non-profitable farming at the subsistence level.

What surprises me more is the hon. member's claims, referring to certain regions of Canada, that federal government policies are always beneficial to the Western provinces and that no heed is given to a policy seeking to assist Eastern producers. It would however seem that there has been preaching going on recently in some areas of the country, with no consideration given to the fact that the media can inform us of a speech made in one region of the country and another elsewhere by the same speaker, who did not expound the same philosophy throughout Canada.

However I should not like to restrict myself to what I consider to be a very negative approach, preferring a positive approach to Bill C-5 entitled "An Act to Amend the Farm Credit Act."

A study of the whole scope and philosophy of the bill reveals that the government is seeking to place farming in the proper modern context. The general purpose of the amendments is to increase the ability of the Farm Credit Corporation to meet the requirements of producers who seek long term credit, and to give them an opportunity to live decently on their land. In my view, those are both very worthwhile objectives, comparing the amounts of loans now available to those obtained formerly when the ceiling was \$40,000 under Part II and \$50,000 under Part III. These ceilings were set in 1964.

For corporate farmers, the ceiling was \$80,000 for two joint owners and \$100,000 for more than two, under Part II, and \$100,000 for a syndicate, for instance, under Part III.

[Mr. Caouette.]

I went recently in an area of vegetable production, around Sainte-Clothilde, and I see here my colleague, the hon. member for Saint-Jean (Mr. Smith) who was telling me about it at noon today. These vegetable farmers want this act to be passed as soon as possible, so that they can build cold stores into which they could preserve their vegetables and put them on the market at a time when there would not be a surplus, thus getting better prices for their products.

In my mind, this act tends to favour farmers who are actually specialized, and not certain people who farm in order to produce all sorts of things.

I should like to reconsider a little the four phases of today's agriculture: In the 18th century, 80 per cent of Canadians lived off agriculture, which was called subsistence agriculture, and I think that no farmer wishes to go back to that type of farming.

At the end of the nineteenth century, we had a farm population of 75 per cent and an urban one of 25 per cent. Then, the economy was moving towards industrialization and agriculture towards commercialization. And this latter trend continued.

In the twentieth century, for example, we saw a radical change in population distribution when only 20 per cent of the population was agricultural and 80 per cent in the industrial or urban sector.

In 1970, we had an industrialized economy and agriculture. I feel that through amending the Farm Credit Act, favouring access to greater credits and helping the young to make of farming a profession, we will greatly help our agricultural industry.

Mr. Speaker, I was listening to some of the previous speakers still discussing family farms, and I suggest that it is very difficult to know where the family farm ends and the industrial farm begins, and that for many reasons, especially emotional ones.

In Canada the family farm is characterized by the use of the labour and capital provided by members of the family. At that time, it was the members of the family who tried with more or less success to produce some income. With the rise in the living standard, the labour of men and women is reduced and is replaced by capital. Even if in some parts of Canada the family farm is still a pretty vital operation, it can be said that in many regions the family farm faces great economic problems.

Efficiency in agriculture as in any other segment of industry requires capital. But the transfer of farms from one generation to the next has prevented young farmers from taking immediate possession of farms which were productive on a wider basis. And when the transfer was possible, young farmers had to work for other people for a salary during many years and postponed as long as possible the investments that were not available to them under the old legislation.

I think that the changes that have been brought are really very desirable because the old legislation did not provide for loans to young people under 21, whereas this legislation will enable the Corporation to grant loans to farmers under 21. This provision meets representations from provincial legislatures.