

Farm Credit Act

Mr. Olson: Mr. Chairman, I wonder whether the hon. gentleman would permit me to quote the interpretation of "principal occupation" which was put into the act by his party when in government. It says:

Where a person has two or more major occupations, one of which is farming, the corporation may determine which of such occupations is his principal occupation for the purposes of this act.

That was the definition put into the act by his party when in government.

Mr. Horner: That points out very vividly, Mr. Chairman, the difficulty in trying to define "principal occupation". The minister has substantiated my argument as to why it is not properly defined. In the opinion of the Farm Credit Corporation, what is a person's "principal occupation"? In other words, it is left to the corporation to decide this question and there is no real definition of the term. I am not disputing that particular point. The minister has in effect sidetracked me. He has not defined what is meant by "principal occupation". He has tried to define a family farm as one operated by a father and three sons, or a father and two sons, or a daughter, who has a contract. How many farms in western Canada would the minister describe as family farms which have no contract among the family?

Mr. Olson: You do not need a contract.

Mr. Horner: Ninety per cent of the family farms are operated as one person, that is, by the breadwinner of the family. The rest of the family contribute, no matter what their age, to the productive capacity of the farm. They do this beyond a shadow of a doubt. They do it in more ways than one. They may well not be old enough to sign a contract, such as the minister wants them to do under the provisions of this legislation. In fact, Mr. Chairman, I go back to my own boyhood in this respect. Without a doubt I worked harder at age 16 than I did at age 22. This exemplifies the point I have been trying to make, which is that this bill specifically helps and encourages the joining together, under a contract, of individual farmers.

The minister knows well the company of which I speak. Supposing that a piece of land comes up for sale and three or four people get together and buy it, they run the cattle jointly and form and operate a company, but they are still operating individual farms, the question that arises is: Would that be a company of bona fide farmers whose principal occupation is farming, because in that case

[Mr. Horner.]

they would have a distinct advantage over a family farm that is also looking at that grazing land with envious eyes. The company formed in this way would be able to borrow \$120,000 under this bill.

Mr. Olson: That figure is wrong, Mr. Chairman; \$100,000 is the limit.

Mr. Horner: The minister would suggest that there is not too much difference between \$40,000 and \$100,000, but to the family farm there is a great deal of difference. I want it clearly understood by every member in the house, by the backbenchers of the minister's party and everybody else, that this bill denies the right to the family farm to compete equally with groups of persons banding or joining together in order to borrow money. It denies this right to a family farm, particularly if that farm is not incorporated and if the children on it are not old enough to sign a contract. This bill specifically spells out that such an arrangement cannot be considered a partnership. To qualify for a loan under the provisions of the bill, you must have children and they must be of age 18 or 21, and all boys. This must be the situation for such a farmer to compete with a joint operation. So let it be clearly understood that this bill is designed to take away any advantage that the family farmer has. This is what the minister is doing.

• (9:10 p.m.)

I would like very much to hear the minister dispute that argument far better than he has done so far tonight. He has not done so in any way, and I say to all members of this house it is my belief that the family farm is still the backbone of the industry, and it is the government's duty to maintain it, particularly in this bill which deals with long term credit.

Mr. Harding: Mr. Chairman, it is not my intention to take up too much time this evening but there are one or two questions that I would like to direct to the minister. I think most of the pertinent facts dealing with the legislation before us have been covered by one speaker or another during this debate, which has lasted for several days. There is one point however which does bear a great deal of repetition. I am referring to the change which has been made in the setting of the interest rates. I think this proposed change is the most objectionable feature of the amending legislation, and it is this particular point which has caused more debate