

Farm Loans

who has received help from the Small Business Development Bond. Has the farmer received anything? He has not received anything that I know of.

● (2110)

I have been told that the Farm Credit Corporation encourages the farmer to apply at his bank for a Small Business Development Bond even though it really does not exist. The farmers are being given the runaround by the Department of Agriculture in this slack economy. That is why the people are so unhappy with the present government and make no bones about it. We must do better.

I was interested in the remarks made yesterday by the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton). He made many helpful suggestions. The government would do well to pay heed to his advice.

There are other ways to help the farmer which this government is neglecting. The government probably does not want to take advice from anyone. It must forget about that and do something for the farmer and the small-business men who today are facing trials and difficulties which they find impossible to surmount on their own.

I plead with the Minister of Agriculture to get more than \$50 million for the farmers across Canada. Our farmers need a long-range program. They need to know where to set their sights. They want to be protected from being taken advantage of by the large chains and corporations which peddle their products in order to bring people into the chain stores. We find that in every segment of agriculture today. I beg the minister to approach his colleagues in order to obtain more assistance for the farmer.

Not long ago we heard of an industry being granted \$300 million to create 400 jobs in eastern Canada. I am not jealous of that. However, in the last budget only \$50 million was allotted to the Farm Credit Corporation when there are 330,000 people employed in farming. Therefore, it does not make much sense to give \$300 million to employ 400.

It has been stated that there are probably more federal civil servants today than there are farmers. The farm community is begging for guidance and assistance. I beg the minister to do something for this depressed industry which we depend on so much. If we lose this industry, we may never regain it. This is why we support this bill. It is not that great, but it is something. We look for more before too long.

Mr. Tousignant: Mr. Speaker, I would ask the hon. member to provide us with the name of the person who wrote the letter he just read. If he cannot give his constituent an intelligent answer, perhaps we can.

Mr. Scott (Victoria-Haliburton): I will not provide the name of my constituent. I have it here, but I do not have his permission to give it.

Mr. Robert Daudlin (Essex-Kent): Mr. Speaker, I am pleased that hon. members opposite have indicated almost to a man that they support Bill C-88 and recognize the significant

contribution that the Farm Credit Corporation has made to Canadian agriculture and the Canadian economy during the last 22 years. In total, the Farm Credit Corporation has made some 147,500 loans to farmers, totalling about \$5.1 billion. This bill will allow the corporation to assist even more farmers in order to make agriculture a more stable and viable industry.

I know that some members are still concerned with certain aspects of this legislation and the Farm Credit Corporation's operations in general. I will therefore take this opportunity to address some of the concerns that have been expressed throughout this debate.

The hon. member for Kindersley-Lloydminster (Mr. McKnight) mentioned last Thursday that the Farm Credit Corporation's arrears rate is low at 7 per cent. Based on this he suggested that the corporation may not be taking enough risks. Many farmers in my constituency who have had or have sought access to farm credit would take issue with his position. Many who have been turned down, notwithstanding that they are successful farmers who have equity in their land that could be used as well as additional farm credit farms, find that the risks being taken by the corporation are quite high. When you look at the program which gives loans to applicants under 35 years of age, it is difficult to argue that the Farm Credit Corporation is not taking enough risks with these beginning or young farmers.

Statistics show that in 1981 the average total assets of Farm Credit Corporation borrowers after a farm credit loan of about \$100,000 were \$375,000 compared to a Canadian farm average of \$518,700. At the same time, Farm Credit Corporation farm debts averaged \$185,000 compared to the national average of \$78,000.

Farm Credit Corporation farmers have assets which are 72 per cent of the national average, yet they are carrying about 2.4 times more debt than the national average. Also, farm credit borrowers have a net worth which averaged 50 per cent when compared to a national average of 85 per cent. These statistics undoubtedly indicate that the Farm Credit Corporation is taking risks. In my view and in the view of many of my constituents, the risk factor is already high enough and should not be increased by a substantial amount.

It must also be recognized that the Farm Credit Corporation provides a program of advisory services in addition to credit. Through this program, qualified Farm Credit credit advisers provide financial counselling and assist farmers in monitoring their progress. In this way many problems are detected at early stages of their development and can therefore be more easily resolved. The Farm Credit Corporation must be given credit for keeping its level of arrears at very favourable levels through this program.

The hon. member also suggested that a subsidy for short and intermediate-term credit should be considered as well. I remind the hon. member that when the Farm Improvement Loans Act was last amended, it was indicated that the issues related to intermediate-term credit would be studied by the departmental officials. This study is now in process with