

The Acting Speaker (Mr. Ethier): Is it the pleasure of the House that these documents be tabled?

Mr. Knowles: I think we should be clear, Mr. Speaker. The minister wanted them made part of the proceedings. That sounds like *Votes and Proceedings*. The hon. member for Nepean-Carleton (Mr. Baker) agreed that they be tabled. What is wanted?

The Acting Speaker (Mr. Ethier): I should have added in my prior statement "and appended to *Hansard*". Is it agreed that they be tabled and appended to *Hansard*?

Some hon. Members: Agreed.

[*Editor's note: For tables referred to above, see Appendix for Tuesday, May 20, 1980.*]

Mr. Whelan: I was going to read these tables into the record, so appending them is much easier. I think they are a form of education when we talk about the different farm programs. I see the hon. member for Annapolis Valley-Hants (Mr. Nowlan) is here. I am sure he is aware that provincial governments have subsidies, interest programs, top loading programs, etc. which I am sure many people are not aware of. There are programs in Quebec, and many people point out that Quebec is the only province with subsidized programs.

That is not true. Saskatchewan, for instance, has programs which are called FarmStart programs. Eight hundred loans were made last year to young farmers in Saskatchewan. I believe the mortgages run for 15 years at a guaranteed interest rate of 8 per cent. Those programs are very good but, going back to the one in Saskatchewan again, the one Saskatchewan had was mostly to start farmers into pork production and livestock enterprises. It was geared especially to that kind of enterprise, and most of them are already in financial difficulty because of the decrease in the price being received for those products. So, I just point out that we have been doing some research and trying to come up with a program which would provide equity between farmers who are competing for the domestic market or the international market.

● (1240)

Some farmers are at a terrible disadvantage because of the lack of funds being made available to them. The province of Ontario probably has some of the smallest programs. I will touch on some of them shortly since I think they are beneficial to agriculture in that area. They depend more on federal loans and programs such as the Farm Credit Corporation and farm improvement loans program. As hon. members already know, I talked about the farm credit program which issues long-term loans to farmers and has a tremendous stabilizing influence on Canadian agriculture. FC programs are especially designed for the financial programs which farmers encounter.

Recently when I spoke about the Farm Credit Corporation I said that we had asked them to look especially after younger farmers who find themselves in economic difficulties through high interest rates, and in some areas because of depressed prices for the commodities they are producing. So we asked

Farm Improvement Loans Act

FCC to place a moratorium on the loans. Some people feel that that is a cancellation of the debt and the interest rate. That is not so. All it does is delay the payment. The Farm Credit Corporation has within the legislation the right vested in them to do that kind of thing. They have been doing it in the past and will do it in the future.

Also the Farm Credit Corporation can be the judge when a young farmer has little collateral but the drive and ability to survive in agriculture, and for that reason FCC is often the only hope which a farmer beginning operation has, except for some programs which are in existence in Saskatchewan and in Alberta which are especially geared to encourage young people to go into the Peace River district. Some of them have been pretty costly ventures for the provinces. Right now about 70 per cent of the long-term credit outstanding in Canadian agriculture is in loans from the Farm Credit Corporation. I am proud of FCC, and indeed the federal government should be proud that it has made such a program available to the farmers of this country.

Also administered by FCC is the farm syndicates loans program under which groups of three or more farmers can purchase jointly machinery, buildings or instal equipment. This program provides up to 80 per cent of the total cost, with a maximum of \$15,000 per person, or \$100,000 in total.

Another program of which we can be proud—one which brings a large measure of marketing stability to thousands of Canadian farmers—is the advance payments for crops program. This program provides farmers with interest free loans to pay operating and carrying costs for their storable crops. Farmers can then afford to hold more of the crop until the market is right, and that is orderly marketing.

I spoke of interest free loans, but we all know that nothing is free in this world. The federal government paid more than \$2 million in interest on loans under that program in the fiscal year 1979-80. As I said, provincial governments have different kinds of programs, and these I have tabled. I spoke a little about Ontario. They have a program which can be used as another example. There a farmer can have up to 75 per cent of the cost of drainage work financed at an interest rate of 6 per cent.

Those are some examples of programs that are available in Canada today to farmers. As I said, they are not available to all farmers; it all depends on the programs that some of the provinces have. If anything, this has a tendency to balkanize the country.

A farm improvement loans program is an important source of intermediate-term credit for Canadian farmers. Most of these loans are for a ten-year term, with some extending to 15 years for the purchase of extra land to expand a farm.

I should point out that the total amount of farm credit outstanding is now something like \$15 billion. That is a tremendous burden on the relatively small number of farmers in Canada. The cost of servicing the debt is the cost of production, and when a farmer compares his cost of production with expected market returns and if there is not much