

Farm Credit Act

wisely spent, instead of minding the business of other levels of government.

I for one believe that when a minister is making such out of place and preposterous statements—as said my neighbor—as did the Quebec minister of Agriculture yesterday, those statements are quite offending. This simply reveals a certain weakness and the fact that he is using excuses to justify it.

I would like now to compare—although any comparison is unsatisfactory—the Quebec and Ontario agriculture budget. The Ontario agriculture budget is \$20 million lower with twice as many farmers and a production twice as high as that of Quebec and yet the Ontario Department of Agriculture employs 6,000 fewer people than the Quebec Department of Agriculture.

So if we Quebecers want to find the reason for the difficulties faced by Quebec farmers, we should not blame only Ottawa or the farmers of other provinces. We should begin by looking around us in Quebec, find out our weaknesses and correct them.

The hon. Mr. Toupin should first improve the laws of his province instead of commenting on what is done elsewhere. He is wondering whether the overlapping jurisdictions of both governments, provided for in the constitution, is wrong. If he says it is wrong, maybe it is. Perhaps the solution would be to have only one jurisdiction. If we should have only one jurisdiction it should be at the federal level as requested by many farmers I have met.

Having said this, I should like to refer to another comment the hon. member for Bellechasse made about the dairy policy. I know I am straying somewhat from the subject but since farm credit affects the production of various farm products I believe farm loan policy can certainly be related to production, and particularly to dairy production in the province of Quebec and throughout Canada.

The hon. member referred to the increase in income of Quebec dairy producers. In fact, they were much higher than in previous years. I quite agree that there should be further improvement.

However, the hon. member, when he indicated 1971 and 1972 incomes for the dairy industry a few minutes ago, omitted to mention a factor which I consider to be quite important: the extra bonus dairy producers receive over and above the set base price. Besides the \$4.25, plus the \$1.25 grant, the bonus received by producers should also be taken into account.

I personally read the report and the hon. member for Roberval (Mr. Gauthier) will be able to bear me out, since the Normandin Co-operative in his district paid out a bonus of \$1.50 per hundredweight for the last three months of the year, over and above the base price. That is a fantastic achievement, for which full credit must be given to the Normandin Co-operative in the riding of Roberval and in the Saguenay area.

The present situation has also prevailed in other regions of Quebec where producers have actually received from their plants much more than the basic price, not taking into account the year-end refunds and the value increases also distributed by their firms.

[Mr. Lessard (Lac-Saint-Jean).]

I come back, Mr. Speaker, to Bill C-5 in order to determine more or less the objectives we are trying to pursue. This is a new step on the road of general improvement of our agricultural policy.

Mr. Speaker, the comprehensive aim of the amendments is to increase the Farm Credit Corporation's ability to meet the need for long-term credits towards the establishment of profitable agricultural enterprises and to give the corporation the necessary powers to perform such tasks or functions it might be entrusted with for the implementation of other programs.

The powers now vested in the corporation enable it to reach its aims and objectives, that is to make agricultural loans, to see to it that the law is implemented and to control agricultural credit transactions. The corporation employs a staff specializing in farm appraisal and evaluation of business transactions related to farm lands in any agricultural region of Canada.

The present amendment will enable the minister to draw upon such expert staff for the administration of whole or part of other programs such as the program of land transfers which is part of the small farms development and improvement program.

In accordance with the legislation now in force, the Minister of Finance (Mr. Turner) is authorized to pay to the corporation an amount of \$56 million which when multiplied 25 times as provided in the legislation, will enable it to obtain enough capital to make loans to farmers.

But it so happens that at the end of 1972, the funds available under this act will be reduced to \$245 million, so that the present proposal to increase the operating fund of the Corporation by \$10 million, that is from \$56 to \$66 million, will allow, through the multiplication factor of 25, for an additional amount of \$250 million. We believe that through this change, there will be sufficient funds available to cover demand for the next few years.

Anyway, this House sits regularly, and if additional funds came to be required I do not think we would hesitate to increase available funds then, for the farm industry has to pursue its objectives.

The amendment to section 16, Mr. Speaker, limits the granting of loans to Canadians or landed immigrants under the Immigration Act who own farm land, and the purpose of the proposed amendment is to allow the granting of loans only to assist people who are Canadian citizens or who intend to settle permanently in Canada.

The important point, Mr. Speaker, is that of the total amounts which can be loaned to farmers.

Under the existing act, there are, in fact, three classes of farmers, to whom different maximum amounts can be loaned. Those three classes are now going to be eliminated, as far as maximum amounts are concerned, and from now on all farmers will be able to borrow up to \$100,000, depending on the security they can put and on the assessment which will be made of their property and of its potential productivity.

• (1730)

There is also another interesting point to consider, Mr. Speaker. Although the Corporation is allowed under the