

agriculture that do not have their systems of supply management or systems of planned production in place.

If he is going to survive, the farmer too has to have a return on investment, management, labour and risk. Therefore I submit that we should support this amendment. We trust the government will ensure that it is passed. We hope that it will ensure that the subamendment is also supported. I believe it will be the small community-based co-operatives that will have to build these small processing plants in order to add the value added products that will be required, whether in processing or new development or, if we have to diversify in parts of Canada, in the direction of specialized species of woodlands and provide the funding to the sawmills and the processing plants that go with them.

I believe that we have to get on with the bill. I call on the government to support the amendment and the subamendment so that we can put this in place and get on with issues in this House that are going to improve the income of Canadian farmers and enable them to pay back and service the loans provided to them by this institution, the Farm Credit Corporation, as well as the other lending institutions across Canada.

Mr. Murray Cardiff (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I am very pleased to rise and make a very few short comments on Bill C-95 in response to some of the concerns raised by my colleagues when speaking about this legislation.

It is unfortunate that some feel that this is not positive legislation. From the information that I have from feedback from constituents in my riding as well as right across Canada, it is viewed as positive legislation, as it is viewed by the officials of the Farm Credit Corporation because it provides them with new tools to hopefully better fulfil their mandate and make their work that much easier. Agriculture sectors have come forward on a positive note as well, looking at it as something new to help them meet the challenges that we are facing in this current year, the nineties, and to the year 2000 to help us better prepare for the future.

• (1105)

This is positive legislation that is being awaited. The farmers are waiting in anticipation of speedy passage of the legislation with the hope that this legislation will be in place for this current year, this spring planting season, in order for them to do their proper planning.

Government Orders

One speaker raised the concern of inadequate funding. I have to point out that since we formed the government, the FCC has been provided with adequate funding to meet the lending requirements in that period of time.

Before I came to the House of Commons there were times when the FCC did run short of funding and could not fulfil its mandate or the requests for the period of its fiscal year. It is certainly our intention to allow the FCC the funding that is necessary. It can go to the market to borrow its requirements and be very prudent while doing that. As well it should try to get the best deal in order to provide the corporation with the lowest cost money possible.

Some say that the legislation does not really address all the needs. I do not believe the FCC legislation is to address all of the problems that agriculture is finding at these times. There are external incidents that are making it more difficult for farming such as the lack of a GATT agreement and what other countries are doing with the prices of grains and oilseeds. That is why we brought in GRIP, NISA and crop insurance. We have tried to give the farmers, industries, the lending institutions, all of those, the security that is necessary for proper planning.

We believe that a GATT agreement would be one of the most positive things that would help in the long term, but in the short term as we have said before we have put safety nets in place to help meet those obligations.

There is no question that this new legislation allows the corporation the flexibility to lend to larger operations. I also want to point out that the FCC will continue to serve the needs of the family farm. In fact, the removal of the principal occupation stipulation will make it easier to lend to smaller farmers whose income is not primarily derived from the farm. We do have a commitment to the family farm and I just want to make it very clear that there is no change there.

I want to speak very briefly about the amendment to the motion which would add co-operatives to the motion. The terminology "small and medium sized businesses" and "businesses related to farming" already include the co-operatives in the purpose clause of the bill. For that reason we could not accept the amendment to the motion.