

The agricultural representatives who process applications for loans under this act are not going to make loans to people who are not responsible and not capable of using the moneys advanced wisely. They know how to assess what a man is worth. I have myself been before them, and I know. They are very clever about it. They know what a man is worth.

In terms of setting up a farming operation, \$150,000 is almost peanuts. Senator McDonald, I am sure, is aware of what combines cost, whether they are for potatoes or wheat. Tractors, too, cost a great deal of money, as does livestock.

Moneys advanced under this loan program can be used for the accumulation of acreage, buildings, livestock, and so forth. It seems that farms in the Maritimes require more buildings than do farms in Western Canada. I do not know why that is. In terms of acquiring stock, \$200,000 does not go all that far. It is spent before you can turn around.

It really depends on the kind of farming you go into. If an individual is going into potato farming, he needs \$200,000. If he is going into mixed farming, I do not think the investment is quite as heavy. I think the maximum loan should be available to all applicants; not just a streamlined group of people under the age of 35 years.

This amendment does not change the amount of money involved. It would simply make the amount of money involved available to those in a different age group. It is not outside the competence of the Senate to pass this amendment. It does not increase the amount of money involved, but simply increases the upper age limit to 40 for those persons who would be eligible for the maximum loan of \$150,000. Under the bill as it is presently drafted, the maximum would be available to those in the 18 to 35 age group, and the amendment would make it available to those in the 18 to 40 age group.

Senator McDonald: No, no.

Senator Norrie: Yes. This bill, if passed, will provide loans to young farmers.

Senator McDonald: Yes, but the credit will not be cut off at age 40. Those over the age of 35 or, if the amendment is passed, those over the age of 40, will still be eligible for loans up to \$100,000.

● (2130)

Senator Norrie: It cuts off the amount.

Senator McDonald: That is right.

Senator Norrie: I feel that it is within the competence of the Senate to deal with the bill in this way. Changing the age limit does not, I think, involve any more money; it is really just using it in a slightly different way.

That is all I have to say, honourable senators. I contend that we need this change.

Senator McDonald: I did not want to interrupt the honourable senator while she was speaking. She did say I had commented that people at a certain age should have amassed a fortune. I said no such thing. If I might repeat what I said, I do think that by the time people are 30, 35 or 40 they ought to have amassed some assets. Certainly in 99.9 per cent of the cases they will not have amassed a

[Senator Norrie.]

fortune, but they will have amassed some assets compared with a young person leaving school or university who begins with nothing, and who could not be expected to have anything when embarking on his first working activities in life.

Hon. Harry Hays: Honourable senators, I attended the meeting of the Standing Senate Committee on Agriculture at which it was recommended that the age limit for loans up to \$150,000 be increased from 35 to 40. I agree with Senator Norrie and the committee. It is said that on the average farmers in Canada are getting older. I do not think this pattern has changed much over the years.

I have before me a statistical handbook issued by the Canadian grains industry in 1974. Although it is not up to date in its information on the ages of all farmers, it gives for each province and for Canada the ages of farmers from 1931 to 1971, which includes the years of the depression, the war years and the fifties and sixties. It pretty well rounds out our good and bad times. From this it can be seen that in 1971, in the 35 to 44 years age group there were 83,431 farmers; in the age group 34 years and under there were 55,535; and in the age group from 45 to 54 years there were 106,468. According to age group, the Canadian farmer is no different from a member of any other industry or profession. In the legal profession, the medical profession, and in business as a whole, it will be found that the great producers in Canada are in the age group between 35 and 55 years. They support nearly everybody by their efforts.

As I think Senator Norrie explained so well, \$200,000 for a farm in any part of Canada is not all that large an investment. In Saskatchewan the size of the average farm today is 813 acres. For a good viable farm, according to what the committee was told in answer to a question I asked the other day, the cost of land is in the neighbourhood of between \$250 and \$300 an acre. We are looking at \$240,000 for an average farm in Saskatchewan, with no machinery and no livestock.

Senator Macdonald: May I ask the honourable senator a question? When you quote that price per acre, is that for average land in Saskatchewan or the best land in Saskatchewan, according to the evidence given before the committee?

Senator Hays: If you are going to practise law, teach or be in the Senate, the best place to be is where the action is. Anybody who buys poor land will be in trouble, and \$50,000 will not help him today. I believe we have to deal with the progressive person; we must have legislation to help the viable farmer.

We have a responsibility to the consumers of this country, and we do not think enough of our responsibility to consumers when we discuss this type of legislation. Canadians eat cheaper than any other people in the developed countries of the world—20 per cent of their take-home pay is used for food. In Israel as much as 48 per cent is used for food; in some countries it is as much as 60 per cent, while in others it is as high as 80 per cent. Our farmers do a great job for Canadians. If our people can eat cheaper their productivity is higher, and Canada is better equipped to export. We are one of the largest food exporting countries in the world, and if we are to stay in that position we must keep these farms viable.