

Farm Credit Act

We find that in 1971, there are 15 per cent fewer farmers than in 1966. We have failed to reverse this trend. In the last 20 years, the number of farmers has declined by half. Worst of all, the average age of farmers has risen and is continuing to rise. At the present rate, it will not be long before the average age of farmers is around 60 years.

I am somewhat concerned about recent legislation which the Province of Saskatchewan has enacted and about legislation which it proposes to enact. In my view it will hinder the operation of the Farm Credit Corporation. It may be that because of the lack of optimism in the rural areas, farmers have lost their spirit and are willing to accept next to nothing, or something which in the long run will not be in their interest, and this disturbs me. I am always mindful of the Regina manifesto.

• (1600)

If the Minister of Agriculture signs an agreement with the province, the agreement should take into account the fact that we should try by every means possible to retain possession of the land in the hands of the farmers. They should be given every opportunity to own the land. In this respect, I am concerned at the attitude of the New Democratic Party in the province of Saskatchewan which has been amply demonstrated, and I presume that, being blood brothers, the federal NDP subscribe to a similar line of thinking. I am concerned about several developments in the last couple of years having to do with legislation dealing with estate taxes, capital gains, the land bank proposal and the foreign ownership proposals for land advocated by the government of Saskatchewan. This last matter is a real mystery. There is no bill; it is simply a proposal put forward by the government and which I presume is subscribed to by the federal NDP. The proposal is that no "foreigner" may own land in the province of Saskatchewan. Within one year he has to dispose of any property he owns. Foreigner, in their interpretation of the word, means anyone who is not a resident of Saskatchewan.

I am wondering how the Farm Credit Corporation is going to operate with this type of restriction, one that I believe is unconstitutional. Surely to goodness, we are not Balkanizing Canada yet. Surely, we have not reached the point where every province is a country within its own boundaries. To suggest that a foreigner is someone who lives in another province and that he should not own land in the province of Saskatchewan is, to my way of thinking, not going to be conducive to improving the farm economy. In addition, it will depress land prices.

Many farmers have had land given to them, or have bought land after working elsewhere for many years. A farmer who did not have sufficient capital to start with went to work. Then, when he had saved enough he bought a quarter section, and then he bought another quarter section and started a farming operation. Since he became sick and tired to carrying a lunch pail, he took up residence in the province of Saskatchewan. How is the Farm Credit Corporation going to get around that situation? I am wondering whether the minister is aware of the developments taking place in the province and whether, if the proposed legislation becomes law, he will be the first to take it to the Supreme Court of Canada to test its constitutionality.

[Mr. Korchinski.]

I believe we must not allow such developments to take place. We have not had a statement from the minister or from the Minister of Justice (Mr. Lang) on the matter. We should not even entertain such an idea in this country. I do not know what the motivation for the proposal is, other than the Regina manifesto. I do not know whether the province is concerned about estate tax, but we have to pay estate tax whether we reside in Saskatchewan or not. Anyone wishing to buy land in Saskatchewan from a non-resident will sit around for a whole year. Every day that goes by, the seller will become more and more desperate to dispose of it for next to nothing. That sort of thing is not going to be healthy for the economy. I think the minister should investigate this situation, if not the Minister of Agriculture, certainly the Minister of Justice.

I see nothing in this bill which indicates the federal government has taken into account the existence of the land bank in the province of Saskatchewan. I should like to know how this is going to jibe with his small farm development program. I am just wondering whether the minister is going to be prepared to sign an agreement with the province of Saskatchewan. I think we should know what is the position of the federal government if this type of legislation is enacted.

Mr. Olson: May I ask the hon. member a question?

Mr. Korchinski: Yes.

Mr. Olson: I am not sure I understand the hon. member, but is he suggesting that we should review provincial legislation and pass opinions on whether the province can or cannot pass legislation of this nature?

Mr. Horner: As a former Social Creditor you should know that it has been done before. Remember the Bank Act of 1937?

Mr. Olson: That is a little bit of ancient history.

Mr. Korchinski: Knowing that this legislation is proposed, I think the minister should indicate to the House how it conflicts with his small farm development program. We have not had any details of this particular program, so I do not know what is the position. But I do know what is the position of the NDP in the province of Saskatchewan.

Mr. Olson: I have already stated that we are not participating in the Saskatchewan land bank scheme.

Mr. Korchinski: Then, at least we have that from the minister.

Mr. Olson: I said that months ago.

Mr. Korchinski: May I turn now to what I believe the amendments should include at this time. The minister has not recognized the need for the next 10 years or so, despite what he said in his remarks.

Mr. Olson: I said for four or five years.

Mr. Korchinski: I would point out to him that present interest rates are a burden on the farmers. There is no incentive to stay on the farm. Interest rates have always