

Farm Credit Act

• (5:30 p.m.)

I will go one step further and say the whole bill should have been sent to a committee in the first place, as we recommended. If that had been done, representatives from the Indian bands could have told us exactly what they wanted. But the minister refused to send it to a committee. That was his first mistake and I am sorry to say it was not his last.

Mr. Peters: Mr. Chairman, I have been very interested to see the minister getting support from some of his backbenchers. His statement that he wanted to do the same for the Indians as he did for everybody else was very commendable. That is what all of us want to do.

There are a number of Indian bands with agricultural land in my area, and I would like to see them put in the position to develop those lands and become farmers. The minister has stated that a band is not a legal entity as we understand it, but it is as they understand it and it is also what they understand to be a co-operative. If we allow them to borrow the maximum of \$100,000, the Indian bands will be limited to that amount.

In this clause the minister has not differentiated between people other than Indians who borrow from the corporation and Indian bands that borrow from the corporation. In the one case the loan is backed by a mortgage on the land. In the case of the Indians the loan is being backed by a guarantee on the part of the minister of Indian affairs. He really underwrites the loan, as farm improvement loans from banks are similarly underwritten. Instead of holding a mortgage the corporation has an agreement with the minister, acting on behalf of the crown, that the crown holds title to the lands.

If we were really interested in expanding the farming operations of Indian bands, we would not insist on a guarantee from the minister of Indian affairs in the case of a co-operative simply because the band, which I consider a legal entity, has not title to the land and used by the band for reserve purposes. As a matter of fact, other lands used by the band which are not reserve lands are also held by the crown in the name of the Queen and administered by the minister of Indian affairs.

It is possible that Indians who are not connected with bands own their lands, in which case a mortgage may be granted. Since such Indians are not living on a reservation they

[Mr. Horner.]

will not be classed by the department as a band.

I suggest that if the minister really wishes to treat Indians in like manner to others, he will have to consider establishing an unlimited ceiling on the amount that can be lent by the corporation to Indian bands. This raises the problem whether or not the corporation should be lending money for this purpose to the minister of Indian affairs. It also raises the question whether or not the department of Indian affairs should operate its own agricultural financing for those Indians on reservations, rather than leaving it to the Farm Credit Corporation. I suggest that the amount that an Indian farmer living on a reservation can borrow should be limited to that amount that the minister of Indian affairs is willing to guarantee.

I think we have to recognize that most of our Indian population is living on reservations. They are members of Indian bands and are not classed as legal entities under the terms of the Indian Act, the Interpretation Act or this act. Therefore, in my opinion they cannot be included within the proposal that is put forth in this bill.

I suggest that under the terms of this clause it is not possible for Indians to establish a co-operative, as is the case under other clauses of the bill. Neither is it possible for them to establish a corporation and to apply to the minister of Indian affairs for a guarantee in return for the title to the lands under this financing procedure.

As I say, Mr. Chairman, I shall be very interested in how hon. members vote on these amendments, particularly members who represent a number of native Indian bands. I shall also be interested to see whether other hon. members who have gone across the country saying that they are willing to give equality to Indians are sincere and will support the amendment and the subamendment which will establish the right of the minister of Indian affairs to give a guarantee beyond the \$100,000 limit and to the value of the land that the minister will administer.

I think before this bill is passed the minister should consult with his colleagues on the question of what this final amount should be. I am not one of those who think that the department draws up regulations which accord with what they think the minister has said; they make regulations that accord with what the act says. If no other provision is made in this act, the amount lent to Indian bands will be limited to \$100,000. The minister of Indian affairs will be unable to raise