

Nothing is said about changing the ground rules or the yardsticks so that improvements may be made in meeting under this act the demand for the kind of farm credit which the present Government spokesmen when in opposition said was needed and should have been provided for when the act was amended in 1956. Hence, I wish to bring these observations to your attention in order that this bill may be put into its proper context and perspective. It is to these omissions that I wish to address a few remarks, to the things that I thought I would see in the bill.

I submit, honourable senators, that this bill falls far short of the expressed conviction of the present spokesman of the Government and of the election promises to which I listened.

I must admit, however, that the honourable minister who introduced this bill in the other house admitted to the temporary nature of the changes. At page 2297 of the House of Commons *Hansard* the minister is reported as follows:

At the present time the Government is engaged in a comprehensive study and review of all three acts

—that is the Canadian Farm Loan Act, the Farm Improvement Loans Act and the Veterans' Land Act—

with a view to determining where enlargement of scope,

I would stress those words:

expansion in function or improvement in the methods of operation may be required.

The minister goes on to say:

That study is continuing and will continue for some time.

I, for one, favour integration of the three farm credit acts into one comprehensive, modern farm loan policy. May I add to the observations of the honourable senator from Westmorland my hope that the jurisdiction under which this comprehensive modern farm loan policy will operate will be in the hands of the Department of Agriculture.

Let me refer to the promise of the honourable Minister of Finance, that a study is continuing and will continue for some time. This promise is basically lame, and I contend it does not absolve the Government from making now, at this session, necessary and sequential changes which its spokesmen were convinced could and should have been made in the act back in 1956.

How long is this promised study to take? Let us assume it will take one year; maybe it will take two years. By the time the changes come into the statute two years may have elapsed. Why should not farmers who need a specific type of credit benefit now?

I wish to document some of this background. Rising to speak after the motion for

the second reading of the amendments in 1956, the spokesman for the then Opposition said that those amendments—which were substantial amendments to the operational aspects of the act, and which did enlarge its scope a great deal—marked a move in the right direction but that the changes did not go far enough to meet the special capital needs of our agricultural economy. Then the speaker documented some of the needs as seen by the then Opposition. He stressed the need for a relatively higher percentage of capitalization and for long-term loans at low interest rates; also, he pointed to the special need for short-term farm credit. He pointed to the special needs of farmers now operating on uneconomic farm units and especially he stressed the needs of the young farmers who were beginning to farm. Mention was also made of supervisory services. This speaker then pointed out, for example, that it took \$35,000 in capital to buy an economical farm unit, and he documented the specific items of \$13,500 for land, \$8,900 for the buildings and so on, until he got a figure of \$35,000. Then he queried how the new 1956 maximum, which was then set at \$15,000, could meet this need of buying an economical farm unit at \$35,000. Today I have to repeat this same query: how can the present limitation of \$15,000 meet this need? And I ask why the present bill is so overly short and why it does not contain amendments which would change these operative ground rules of the board: for example, by increasing the size of the maximum loans.

I want to point out too that, as reported on page 3640 of the Commons *Hansard* of 1956, an Opposition spokesman, the present Honourable Mr. Macdonnell, moved an amendment as follows:

That clause 6, subparagraph (ii) be amended by striking out the word "fifteen" and replacing it by the word "twenty".

This amendment was moved after the bill had been considered in a standing committee and was on third reading. So I am disappointed that there is not an additional item in this bill saying something about changing the maximum from the \$15,000 to the \$20,000 which was then regarded as a very important and necessary amendment to the bill.

I regret that the honourable senator from Hastings-Frontenac (Hon. Mr. White) is not present in the chamber, for he spoke in the other house suggesting that the percentage of the loan *vis-à-vis* the assessed value could and should be increased to 75 per cent. Why do we not have now a section in the present bill changing this percentage of the maximum from 65 per cent, which was then regarded as inadequate, to 75 per cent, which was then