

Canadian Farm Loan Act

change in recent times and that the board takes a much more generous and benevolent view of its responsibilities in this regard than it used to prior to the 1956 amendments. I think this is a matter which brings pleasure to all hon. members of the house, and in the committee on agriculture there will be every opportunity hon. members may wish to inform themselves with respect to the operations of the board and to obtain whatever information they may require relevant to the subject matter of the bill.

Mr. Argue: Mr. Chairman, the statement of the Minister of Finance that there has been some change in the attitude of the Canadian Farm Loan Board since 1956 is certainly a correct one, and is borne out by the results of the applications made to the board for loans. I think that if anyone goes over the evidence of the committee of that day he will learn the value of having on that committee—and I am sure the Minister of Finance will appreciate this—members of all parties and members in the opposition of that day who took their duties very seriously and prevented a move by the government to hurry the thing through on such pretexts that unless it got through right away applications before the board could not be dealt with and the loans would not be provided. Because we were able to keep the board before the committee for a number of sessions and because we were able to get the opinion of highly qualified witnesses, particularly the late Dr. E. C. Hope of the Canadian federation of agriculture, we were able not only to get some improvement in the terms of the bill which was before the committee at that time but, and probably this was of even greater importance, to change the attitude of the board itself and perhaps of the government, too, because I imagine the board was reflecting the government's attitude towards applications placed before the board.

There is no field of government policy in which farm organizations have been more critical in recent years than the field of farm credit. Brief after brief has been presented to the previous government and to this government asking for an extension of farm credit and for improvements in this respect, and this government, in its election campaigns in both recent elections, made a very strong point with regard to the improvement of farm credit facilities. I express the hope that a study which is now being made in various fields of farm credit will result in a complete overhaul of the farm credit machinery.

Even if one attaches every importance to the change in attitude of the Canadian Farm Loan Board, the fact still remains that in this field the very terms under which farmers

have to obtain credit are most unsatisfactory, and this is from the standpoint of the farm organizations themselves, based upon their submissions over the years. The bill presented to the agriculture committee in 1956 provided an amendment to extend the terms of loans up to 25 years. We were able to get a subsequent amendment providing for a maximum period of 30 years. The farm organizations have now asked for an extension to 40 years, and they have not been merely taking whatever provision the government had placed in legislation and adding another five or ten year period to it so that the government could never catch up with their demands. Their attitude has been to relate that figure to conditions in agriculture and to state that in view of these conditions farmers need a period of 40 years in which to repay their loans. I think this very long period of time emphasizes very vividly the difficulties which farmers experience in making a living and repaying the loans they have borrowed. The history of farming in this country and in most countries of the world is that a young man acquires a farm, and acquires with it a sizeable debt—

Mr. Speakman: May I rise on a point of order? Cannot the hon. member for Assiniboia discuss the resolution which is before us?

Mr. Argue: Mr. Chairman, I think I am discussing this resolution. I think I am following the example set by the minister. It seems to me that some of these new members are far too sensitive, and far too impatient of any member who stands up in the house and suggests that there should be some improvement. I suggest to the hon. member that he contain himself and not be so impatient. If he desires to rise in his place and make whatever contribution he wishes to this debate, let him do so instead of interrupting by raising points of order.

There are other improvements which have been suggested. One is a change in the interest rate itself, and I think that is most important because at present interest rates it takes a farmer, very often, a whole lifetime—40 years—to repay his obligation. Studies made by the federation of agriculture and the farmers union reveal that agriculture has not been able to pay over just 2 per cent on the capital employed in the industry, and so the interest rate of even 5 per cent being charged by the Canadian Farm Loan Board is a high rate of interest and is a very onerous burden upon agriculture.

We in this group would suggest with the farm organizations that there should be a substantial lowering of the interest rate to at least 3 per cent. We further suggest that the maximum loan that could be obtained