

Canadian Farm Loan Act

light of continued increases in its cost of money unless it is prepared to incur a deficit. I am wondering whether any consideration has been given to this by the government and, if not, will the parliamentary assistant bring it to the attention of the minister because I think it is a reasonable request and something that might be considered?

Mr. Benidickson: Well, my hon. friend knows that the finance minister is an avid reader of *Hansard*—he does not have to be constantly in the house—and I think he always gives consideration to my hon. friend's suggestions.

Mr. Argue: Yes; I appreciate that very much. Can the parliamentary assistant say from his own knowledge whether any consideration has been given to this question since the banking and commerce committee met last year?

Mr. Benidickson: My hon. friend knows that the question of interest is a fundamental section of the act and the proper answer that I could make would be that when any change in a statute is to be made, or recommended to parliament, it will be advanced by a member of the government.

Mr. Hodgson: What is the present rate?

Mr. Benidickson: Five per cent.

Mr. Harkness: Mr. Chairman, I wonder whether the minister can tell us to what extent, if any, funds are available under this act to young farmers for the purchase of farms? This whole matter was referred to earlier this afternoon by one of the other speakers. I think there is no question that one of the most serious features of our whole agricultural economy and set-up at the present time is that the great majority of farmers now are getting in the older age brackets. The number of young farmers is comparatively small and the reason for that essentially is the extremely high cost of buying and equipping a farm at the present time. It is impossible for a young man with a very small amount of capital to go into farming as it was possible, and as thousands and hundreds of thousands did, 50 or 60 years ago.

If our agricultural economy is to continue on a sound basis it is essential that we get more young men into agriculture, and that can only be done if funds are made available to young men, who are interested in the agricultural life, to purchase and equip those farms. I know the present act is not adequate to do that to anything like the extent that is necessary. As a matter of fact, what we need in this country is legislation along the line of the farm loan board act, but specifically to provide funds for the particular

[Mr. Argue.]

purpose of enabling younger men to buy and equip farms. Unless we get something along that line in a comparatively few years I shall really be alarmed to think what the situation will be in our agricultural industry. We just simply have to get more young men into it and I would hope that this particular act would make some funds available for that purpose.

I would like to know from the minister to what extent this act is doing that, and I would also like to urge on him and the government generally the necessity of further legislation to cover this really basic difficulty which is facing agriculture at the present time and in a few years is going to face it in a much more acute form.

Mr. Benidickson: Well, Mr. Chairman, the act has no distinctions respecting the age of the borrower. A young farmer given a title would be in an equal position to borrow on the asset of his farm as would an older farmer.

Mr. Harkness: I do not want to interrupt the parliamentary assistant but he referred to a young man acquiring title. That is the very point I am bringing up. Is there any provision in this act under which a young man who does not have title can borrow money in order to acquire title; in other words, to buy a farm?

Mr. Benidickson: No; I think the asset must be in the possession of the applicant at the time of his application for the loan. I do not know the situation in Alberta but I do know that in the province of Ontario there is a specially designed bill for what is called the junior or the younger farmer in connection with a farm loan. I remind the hon. member of that.

Mr. Harkness: Well, Mr. Chairman, legislation along the same lines is in the process of being put through or perhaps has already been put through in the province of Alberta. I am not sure of its exact status. This legislation is designed to enable young farmers to get established on farms. I think the problem is too large for the provinces to handle by themselves and I think federal assistance along this line is going to be required in addition to what is already being done in some of the provinces. I think Alberta and Ontario are the only two provinces where legislation exists for this purpose.

Clause agreed to.

Bill reported, read the third time and passed.