

Farm Improvement Loans Act

Mr. Horner: Mr. Chairman, on the question of the near banks, would the minister say whether the Inspector General of Banks will have authority to examine the books of near banks which do not have a federal charter or licence to operate in a federal field?

Mr. Olson: Mr. Chairman, this ties in with the questions raised by the hon. member for Regina East, I think it was. This is the reason for designating those institutions that come within the act, as hon. members will see from clause 1, so that we do in fact have authority to make the kind of inspections that we need for proper administration of the act.

Mr. Horner: Mr. Chairman, I have a further question on this point. Am I to assume that only those financial institutions that have a federal charter will be designated as lending institutions under the act? To be more specific, would the treasury branches in the province of Alberta qualify under the act? They have no federal charter and operate solely within the province.

Mr. Olson: Mr. Chairman, we visualize that there would be institutions under both federal and provincial legislation, chartered under federal or provincial law, which could qualify.

Mr. Horner: Both of them could?

Mr. Olson: Yes.

Mr. Horner: Then I go one step further. Is the Inspector General of Banks to be given authority to investigate the provincial institutions that have a licence to operate within a province but have no licence to operate all across the country?

Mr. Olson: Mr. Chairman, the hon. gentleman has raised some problems of which we are aware. We do not believe that this officer has the authority to investigate provincial institutions chartered under provincial law. Obviously the hon. member is raising a problem that would have to be taken into account when these institutions are designated under the act. We do not know the final details involved here.

Mr. Horner: I have one further question. I should like to encourage the minister and the committee to get on with this bill, but this does amaze me. In view of the fact that the act expired three or four months ago, surely the minister or his department would have discussed inspection of non-federal institutions. If the minister wants to encompass these

[Mr. Olson.]

institutions within this act and guarantee up to 90 per cent of the smaller loans, surely we should know where we are going on this question. I am amazed that the minister and the Department of Finance have not gone into this question fully.

Mr. Pringle: Mr. Chairman, might I say a word on this point? It has been my privilege to deal and work with farmers and I have been engaged in the farming industry in Alberta for many years, as well as in British Columbia and other areas. Perhaps these fellows on the opposition side do not have to borrow any money, but my farmers have to and they have to find it where they can. The big problem that my farmers have had in the last few years is to find money, which is in short supply.

When these fellows opposite had the chance to run the show we got awfully short of money. They should not try to curtail the money supply but should try to loosen it up a little. I have even dealt with the provincial treasury branches in Alberta and found them quite satisfactory. What we need to do is to loosen up the money supply so that advantage can be taken of it.

I think this is an excellent bill. For the last few days I have heard suggestions that we should speed up its passage. My farmers want to borrow some money but it is obvious to me that the members of the opposition are slowing down passage of the legislation. Let us get ahead with it, Mr. Chairman.

Some hon. Members: Hear, hear.

Mr. Horner: Mr. Chairman, if hon. gentlemen opposite had as many brains as the noise they make is loud, then we might be able to proceed with this legislation. We on this side have urged the government to proceed with all haste. We believe we should have postponed the debate on postage stamps for a day so that we could get ahead with this legislation, but the government refused. We asked for unanimous consent of the house to proceed last Tuesday, but the government said no.

The hon. member for Fraser Valley East says that we have been holding up this legislation. The very point on which I tried to elicit information from the minister had to do with the treasury branches in Alberta which operate a very good banking system; I would be first to admit that. Yet the minister has not said that these branches would qualify under the act. He has not said that the Inspector General of Banks would be allowed to