

approximately \$245 million had not been lent. Last year the amount of loans was something in the order of \$115 million. If loans are made at the same rate as last year, the funds available now could last for another two years. On that score, the minister did not really come forward with anything earthshaking. Under the present circumstances, we could have carried on for another couple of years.

The amendment just allows the farm credit corporation to administer the small farms development program, whatever it may be. A mystery still surrounds this particular program. I have received inquiries which I directed to the minister in the hope that I would be able to obtain some information as to how this program would work. I have not received any information and, therefore, I have not been able to provide other people with information. The minister might better serve the farmers if he introduced a piece of legislation to cover the small farm development program, set out the purpose of the bill and by what method he proposed to operate the whole scheme. Under the circumstances, there will be an item in the estimates which will allow approximately \$30 million per year for the administration of this plan, whatever it may be.

This minister used the Farm Credit Act in order to throw in a few bits and pieces of administrative authorization so that he could say "Oh, yes, we have the authority. We have the farm credit corporation, and we have passed an item in the estimates." Nobody knows what this is all about. There is an item of expenditure that can be made by the government, but we do not even know whether or not the farm credit corporation is to be credited with that \$30 million for this year.

The amount of money borrowed last year for the purpose of purchasing small farms was in the order of \$37 million. That is all that was required. Is this \$30 million to replace the \$37 million that was used last year or will there be an additional \$30 million? If there is to be an additional \$30 million, what will be the purpose of it? In other words, we have been told very little about the way the scheme will operate; I hope that before long we shall be provided with far more detail. It is, really, improper for the minister to suggest he is about to introduce a program when, in fact, there is no program ready. We are told the program will begin as soon as the provinces agree. Will it be necessary, then, to wait until all the provinces are in agreement? The minister told us, almost in the same breath, that he could not wait very long, that he wanted to proceed. If he is at liberty to act, why did he not take action long ago? Does he intend to work out a scheme which would fit in with certain provincial schemes? Some of those schemes, I might say, are pretty hairy—I am not exactly in agreement with them, if the reports reaching me are correct.

• (1550)

The minister implies that we should move along as rapidly as possible, as if the whole world were waiting to see what will happen. Well, farmers may be waiting, but they are not waiting for these amendments, or for the type of legislation proposed by the minister. I do not think anything in this bill will improve the situation on the farms. We can, of course, readily agree with some of these amendments, because they are of a housekeeping charac-

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ter, but there is nothing which is forward-looking in the bill as a whole.

Last night the minister informed us he already has authority to refinance loans which were taken out at high rates of interest, some at a rate of 8½ per cent. So, what has prevented him from acting earlier? If his intentions were good, he should have proceeded without waiting for these amendments to be approved.

Let us take a look at the overall loan picture. At the present time, the total of loans taken out by farmers amounts to about \$1,200,000,000. This is a terrific amount for farmers to have borrowed. As of the latest report available, the report for 1970-71, more than 70,000 farmers had taken out loans. This represents almost the total number of farmers in Saskatchewan; it equals the combined totals of all the farms in Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Manitoba and British Columbia. Looked at in another way, it means that a number equivalent to all the farmers of Manitoba and half the farmers of Alberta have taken out loans. This does not necessarily mean that farmers share the optimism which the minister has expressed.

Four or five years ago there was, perhaps, greater optimism; farmers took out some 12,000 loans. Last year, only about 4,100 loans were taken out, about one-third of the number taken out five years ago. Whatever the minister may say, farmers are not rushing to take out loans. They no longer see a great future before them and this is proof of the lack of optimism felt in the industry. Last year the amount advanced by way of loans declined by 28 per cent compared with the previous year. The minister told us only a few minutes ago that there had been a great upturn in farm fortunes. The facts are these: in 1969-70, 87 per cent of the farmers were in arrears. Last year, in 1970-71, 83.9 per cent were in arrears. Obviously, optimism is not reflected in a comparable amount of money in farmers' pockets, and that is the kind of optimism they understand.

The annual report of the Farm Credit Corporation from which I took these figures has further information. Perhaps I should read it for the benefit of the minister, since apparently he did not find the time to read it himself and learn what is happening. He indicated there was great optimism in the industry. At page six, the report has this to say:

The decline in the purchase of land to enlarge farms reflects in part the unwillingness of many farmers to expand their businesses during a period of uncertainty in the agricultural industry.

I am sure that if the minister took time to read the reports which are published by his own department he would find in them an entirely different story from the one he tells the House. Further, on page eight of the report, we find:

Younger farmers accounted for a somewhat smaller proportion of loans than in preceding years.

If young farmers in Canada do not share the minister's optimism there is certainly not much future in agriculture. I am sure this report has been honestly compiled. If the minister would only listen to the advice given to him by his senior officials, he might make some progress. Unless he does so, he will not succeed in producing amendments which meet the requirements of the seventies.