

Farm Credit Act

Let me remind the House that, though sales of grain have been fairly good in the past year, wheat prices have been the lowest for ten years. Prices received for oats have been the lowest in 20 years, and, for barley, the second lowest in the past ten years. In the Economic Review, to which reference has already been made in this debate, the index of farm prices which appears at page 133 shows that on the basis of an index of 100 in 1961, the farm price of agricultural products had risen to 117 in 1966. But by the end of 1971, it had dropped to 112.5. One also notes that the cost of commodities and services used in the production of agricultural products had increased by some 30 per cent in the same period. In these circumstances, farmers will naturally grasp at any program which might propose some measure of relief for them. But again, I warn them they had better read the fine print. If the program is based on the thinking of the report from which I have quoted, it spells disaster. It will set up a farm management service, a counselling service, a land transfer program and a listening service. In other words, the federal government will get into the business of buying and selling land. I submit that the task of the government now is simply that of a public relations agent trying to sell a policy successfully.

I see, Mr. Speaker, you are trying to warn me that my time has expired. I have many more observations to make and I hope I shall have the opportunity of making them at a later stage.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I particularly wanted to participate in this debate on Bill C-5 designed to amend the Farm Credit Act and allow farmers to borrow more easily when they find it necessary to do so.

I represent an area where there are a great number of rather diversified producers. Having met with them fairly often, I am in a position to express their wishes on their behalf and to make their needs known to the government.

I would like to deal with this bill from a positive viewpoint. It would be easy for me to be very pessimistic as regards the farm situation. Today, however, we have to make comparisons and acknowledge that in the past four years—I say four years, as I have had the pleasure of sitting in this House for four years—efforts have been made and some progress has been achieved.

I feel that, were I to attempt to make producers believe that the situation has become satisfactory enough so that there is no need to introduce anything new and so we can just let things stand as they are, I would not be doing my duty.

Still, we must recognize that the government has solved a very difficult situation in connection with eastern producers, and that some steps have been taken which have greatly improved the situation of wheat producers in western Canada, compared with what it was three years ago.

We must also acknowledge that a recent policy of subsidies for hog producers have been greatly appreciated.

Bill C-5 provides certain advantages for today's producers. It proposes to increase the allowable amount of loans, which will be raised to \$100,000, as has already been mentioned by several hon. members. As for the corpora-

[Mr. Mazankowski.]

tion staff, it was deemed that those officers would be competent enough to manage a program of land transfer or farm buying.

Also, an extra \$10 million allocated for farm loans is likely to help improve the fate of those who want to continue working in that industry.

• (1640)

Another valuable measure consists in allowing young people of 18 years of age to get loans. I believe above all that it would be a tremendous mistake to only facilitate loans to producers.

I suggest in order to be very positive, that we must accept the recommendations or proposals put forward in Bill C-5. However, we must also consider the profits with which a farmer is left after the crops are in. If we merely provide such loans, we might, in some people's opinion, extend even more the suffering of some farmers.

In my view, such measure is a very important one. But how shall we be able to introduce other measures by which each producer will get a net realized income enabling him not only to pay back his loan and interest, but also to progress somewhat which will encourage him to remain on his land, as well as his son to take over his father's business who, at a certain age, must give it up. I think that, in this area, the government must work in cooperation with all hon. members to develop a policy which will promote a better farm product marketing.

During the last two years, we have reviewed at great length Bill C-176, which provided for the setting-up of farm products marketing agencies. For my part, I believed in this legislation and I still believe that this is the way, not only provinces, but all producers, will be able to take advantage of it. Thus, they will develop, which will enable them to pay back their loans.

Therefore, we could have producers benefit from this new legislation which, as I said before, is certainly desirable.

What every producer needs is an orderly marketing which will ensure adequate prices. No matter how many amendments are introduced with a view to making loans easier for young farmers to enable them to start in farming, we shall never be able to interest them as long as they are not guaranteed fair prices for all of their products.

In what way? Well, I believe we can, through legislation such as Bill C-176. The government must be urged to act quickly through the National Council it has appointed to acquaint the provinces with the problems they are facing in the agricultural field. Indeed, it is not always easy to call the provinces together and make them accept a fair production quota for every one. However, I do not think any meaningful progress will be possible if we cannot manage to have the provinces discuss the necessary measures with the federal government.

Five or six months ago, I asked the Prime Minister (Mr. Trudeau) whether he was considering the possibility of creating a new department, a state ministry for agriculture.

Without in any way underestimating the competence of the Minister of Agriculture (Mr. Olson), I believe that due to the complexities, difficulties and marked differences in