

Farm Improvement Loans Act

to give to chartered banks and a 3 per cent interest rate, as proposed by the Cr ditiste program, which the minister keeps refusing.

We feel that our mitigated amendment should be acceptable to the members of the opposition and the government.

Mr. Lambert (Bellechasse): Mr. Chairman, we are going around in a vicious circle. An attempt is being made to increase the interest rate so that money lenders can make added profits.

Farmers are asking for more reasonable prices for their produce. In those circumstances, and since the trade is unable to meet our legitimate requests, we turn to the government which seldom meets those requests.

Last year, I came with all the other farmers to ask the then Minister of Agriculture (Mr. Greene) and the government for more reasonable prices, especially in the dairy industry. We spent the day negotiating, trying to convince the authorities of the merits of our requests. We went to them at 7 o'clock that night to get the promise that the government would continue to study the matter and that, later on, a longterm legislative measure would be introduced to comply with the legitimate requests of manufacturing and fluid milk producers. We have been waiting ever since. The situation has not improved or barely. Although a higher price was guaranteed, the cost of production has increased.

Now, today, in order to be able to meet the money lenders' request for higher rates on their dollars, we should take the necessary steps to enable the borrowers to have additional income that it might be possible for them to pay the higher rate of interest and to pay back their loans.

Mr. Chairman, it may be that in some quarters the Canadian farmer is accused of always making the same requests, of always repeating the same thing. That is completely in order.

When we have children, they always ask us the same questions and always come with the same requests until such time as their requests are met and their legitimate needs are satisfied.

We will keep at it as long as the government does not take the necessary steps to assure the producers of a reasonable income as a reward for their work and their untiring efforts. The Canadian farming community has always worked hard to supply the products needed by the whole population. We must

keep at it of course and repeat our demands. That is why we are here in this house.

In some circles people found it hard to understand why the rural ridings voted for the Ralliement Cr ditiste. Here is one of the reasons, Mr. Chairman. It is because the voice of agriculture was not sufficiently heard in our parliament, because our demands were left unanswered. That is one of the main reasons why the rural population sent to this parliament people who will make their demands heard.

I commend those who promote the interests of banks and other lending institutions. They have the right to do so. But it is our right to demand fair prices for farmers.

Some time ago, I asked the Minister of Agriculture (Mr. Olson) to tell us whether steps would be taken to increase the price of industrial milk during the next fiscal year. His answer was extremely short; it was no. Then, no increase can be expected for that production; so, having no assurance of receiving more, no more can be given. It is for that reason that the amendment moved by the member for Shefford (Mr. Rondeau) is in order.

If one is not capable to receive more, one is not capable to give more, and this is the reason why one objects, logically I think, to the increase of the interest rate when it is not known how much it will be increased.

• (5:10 p.m.)

[*English*]

Mr. Danforth: Mr. Chairman, we in the official opposition are in sympathy with the amendment proposed by the hon. member to our left. His amendment suggests that the interest rate should remain at 5 per cent. During this debate we in this party have made several attempts to get the minister to set a definite interest rate or outline the formula he intends to use for this purpose.

The members of this party are trying to look after the interests of the farmers. It has been shown quite adequately that farmers are unable to obtain money at 5 per cent. Unless the terms of the bills are changed in such a way that pressure can be brought to bear on the banks and lending institutions to make money available at 5 per cent the farmers will not get it. Under economic conditions today money is an essential requirement of farmers in order to make their farming operations successful. For this reason we in this party cannot support the amendment moved by the Ralliement Cr ditiste.