

*Farm Credit Act*

**Mr. Olson:** On a point of order, Mr. Chairman, the only question before the committee is the amendment moved to clause 8. The amendment seeks to authorize the government to define the words "family farm". We have been all over the ground the hon. member is talking about dozens of times. I wonder whether we could address ourselves to the question before the committee.

**Mr. Gleave:** Mr. Chairman, I think the mover of the amendment wanted to introduce into this bill some of the sentiments expressed in the document from which I have just read. If you call me to order, sir, I will not proceed with my remarks. If you allow me to proceed, then I will.

**The Deputy Chairman:** I will ask the hon. member to proceed.

**Mr. Gleave:** Thank you. I was about to say that the *Ottawa Journal* forecast an interest rate of between 7½ and 8 per cent. I should like to know how such an interest rate will assist the younger farmer. We should not remove from this bill a protection farmers have enjoyed, namely, guaranteed interest rates on certain loans. I doubt that we on this side of the house will support the bill unless that protection is retained. I ask, what is the good of the farm management service that is proposed here if the farmer's protection is removed? Without doubt that service could be of real assistance to farmers if the protection with regard to interest rates were retained.

Judging from the farm bills brought before the house the government's lending program is not at all integrated. In light of the government's apparent farm credit policy I submit it will not be integrated and will only add to the difficulties of family farmers who are already faced with grave difficulties. The government asks us to accept its farm credit program. Though the amendment may help matters I submit that if the government removes the protection which farmers have enjoyed it may be difficult in the future to put right the harm that may be done.

● (4:30 p.m.)

**Mr. McCleave:** Mr. Chairman, I simply wish to address a question to the minister instead of making a speech. It arises out of some distinction in my mind between the definition in clause 1 and the reference in the clause we are now considering. In part of the constituency I represent it is possible for a farm to be owned to the extent of say 80 per

cent by a farmer whose principal occupation is farming, and to the extent of 20 per cent by a son who may do enough to keep the farm up to date but whose main occupation is not farming but something else. Can the minister say whether in these circumstances such a farm family would qualify for 100 per cent benefit under this act or whether the borrowing would be restricted to 80 per cent because the principal occupation of the minor shareholder was not farming? I would appreciate an answer. This is a serious question and I have not taken up much of the committee's time.

**Mr. Olson:** I am not sure of the purport of the question. If I understood the hon. member correctly he asked whether or not an 80 per cent figure could be used if a young farmer, under the age mentioned in the bill, were a minority shareholder. Is that correct?

**Mr. McCleave:** Yes.

**Mr. Olson:** Well, if the principal occupation of the minority shareholder is farming the upper limit would apply.

**Mr. McCleave:** Suppose the young farmer is able to help his father for only part of the time and his principal occupation is something other than farming, does this restrict the amount which can be borrowed under the legislation?

**Mr. Olson:** Yes, it would, because we require that the principal occupation of those concerned be farming.

Amendment (Mr. Horner) negatived: Yeas, 34; nays, 76.

**The Deputy Chairman:** I declare the amendment lost.

Clause agreed to.

**Mr. Olson:** I wonder whether we could revert to clause 6. I should like to move an amendment.

**The Chairman:** Is it agreed that we revert to clause 6?

**Some hon. Members:** Agreed.

On clause 6—*Agreement re loans to Indians on reserves.*

**Mr. Olson:** In accordance with the arguments I put forward last night and today when I asked that clause 6 be allowed to