

The amendment before us authorizes the corporation to make loans on the security of farm lands in respect of which a third party retains the use of any buildings, provided such use does not exceed his lifetime nor the lifetime of his spouse.

This amendment would enable the farmer who retires to remain with his spouse on the piece of land where he has lived for many years, instead of being compelled to move into a neighbouring village or an unknown region, as was the case previously.

Special situations may arise in connection with programs such as the development of small farms, where a farmer who retires and sells his property can, if he so wishes, retain the use of his buildings for a period of time not exceeding his lifetime or that of his spouse. The buyer of such a farm who is eligible for a loan might wish to finance his purchase through a corporation's loan.

For the time being, the legislation does not authorize the corporation to make loans to farmers under 21 years of age. It seems that the age of majority tends nowadays to be lowered as has already been the case in some provinces. By deleting any mention as to minimum age, the corporation will be guided by provincial legislation spelling out the minimum age when a person can apply for a mortgage loan.

This will allow farmers, whatever province they live in, to establish themselves on a farm at an early age. It will all depend on the age the province will have set for majority. It is well known that now the province of Quebec has set the age of majority at 18, whereas in other provinces it is 21.

Mr. Speaker, I repeat that the Minister of Agriculture and the federal government are anxious to assist young farmers in their establishment.

• (2020)

In some cases it is reasonable to grant collective loans to individual farmers, to a farmer or to one or more qualified farm corporations, although the act does not specifically authorize such loans in those special circumstances. The amendment will allow the granting of such loans in reasonable circumstances, under Part II of the legislation.

A farmer can mortgage part of his land as collateral security for a loan granted to another farmer, which generally involves a father putting up security for his son. This would not limit his entitlement to a loan in his own name under Part II of the legislation. The same provision will henceforth apply to loans granted under Part III.

Mr. Speaker, section 33 provides that if the debt of the borrower under Part II exceeds 75 per cent of the appraisal value of his farm land, he must obtain the approval of the Corporation before being eligible for a farm improvement loan. Experience has shown that this requirement was useless. The section has been amended to allow the father to put up security for his son, in order to establish him on an economic farm.

The proposed amendments will improve the Farm Credit Act, so that it may meet present agricultural needs.

The consultations held with farmers who are members of the appeals courts of the Farm Credit Corporation in each province have given rise to suggestions which in

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addition to the proposed general amendments were examined with the advisory committee made up of farmers representing the Canadian farm organizations. Furthermore, the Corporation has extended consultations with the branches of the Department of Agriculture, and particularly with the Economic Branch.

Mr. Speaker, surveys have been made in order to find out exactly what Canadian farmers want and I think that their problems have been considered, and that we have tried to bring, through new amendments, a contribution and an instrument in addition to what was already available to them from the Department of Agriculture.

Mr. Speaker, I think that the amendments contained in Bill C-5 should be taken under consideration by all hon. members. The Canadian farmers are waiting for these changes in order to make their farm operations more profitable. Through all these amendments, this government can truly control the situation, help people who want to settle on farms, make the latter profitable.

It is known that presently Canadian farms are no longer operated with manual labour. They have become industries due to investment their owners have to make to compete on markets and they are provided with a new tool to operate economic units.

[*English*]

**Mr. J. P. Nowlan (Annapolis Valley):** Mr. Speaker, I am happy to participate in this debate on Bill C-5, an act to amend the Farm Credit Act. I suppose the Minister of Agriculture (Mr. Olson) would say the opposition's criticism is that the amendments do not go far enough. Before I take on the minister, though, may I say I am very glad to see that the Waffle ranks in the New Democratic Party have been reconciled with maple syrup, or have been reconciled to the benefits of farm credit for the younger farmers of the land. I say this because when the hon. member for Saskatoon-Biggar (Mr. Gleave) commented on the amendment which my hon. friend for Mackenzie (Mr. Korchinski) proposed yesterday to give further encouragement to younger farmers, the hon. member for Saskatoon-Biggar told us, as reported in *Hansard* on page 1872, "I can hardly go along with the amendment, but perhaps after full discussion I might be able to consider it."

I was glad the hon. member for Assiniboia (Mr. Knight) earlier today moved a subamendment to a reasoned amendment. Frankly, while you, sir, were in the chair, with all honour to the position you hold, you set parliamentary precedent by accepting a subamendment to a reasoned amendment. The reasoned amendment was so well considered that I could not understand how Your Honour could accept the subamendment. The fact that you did is no reflection on the Chair but is a reflection on the Waffle-maple syrup movement in the NDP trying to reconcile reality with politics and the fact that they are now joining us in seeking to help the young farmers of this land, not only to the benefit of the minister and of other Canadians but to the benefit of all those in western Canada. I was very glad to hear this subamendment so that my friend from Assiniboia could finally join the hon. member for Saskatoon-Biggar and they could march hand in hand down this chamber and show Mr. Watkins and Mr. Lewis how to get things done on the farm.