

*Farm Improvement Loans Act*

and is particularly aware of his costs in respect of every venture undertaken on his farm. He quickly realizes that in order to make his farm an economic operation in this modern world he must turn to the theory of producing more units with a smaller margin of profit rather than the former conception, fewer units with a large profit. This is necessary in order to compete in foreign markets, and the fact that foreign markets must take a great deal of our produce means that the farmer of today is taking the right course of action.

In order for the farmer to take advantage of this changing trend, today he must have more complicated and expensive machinery. We believe this is the act under which farmers will be provided with the tools necessary to work these new farms. Citizens today in Canada are subjected from time to time to news comments and reports and other sources of criticism, to the effect that governments of the day perhaps coddle this industry of agriculture to the detriment of those in urban centres who have to bear the effects of higher taxes.

Mr. Chairman, I think this is one illustration which points out the fallacy of those particular arguments. The parliamentary secretary has pointed out that we have a maximum of \$1,250 million in loans to the farmers of Canada, and that the loss on this tremendous outlay of money is less than one tenth of one per cent. Since the loss is only one tenth of one per cent and the government, and therefore the taxpayers, are only responsible for 10 per cent of these losses, one will see that the government and the taxpayers are only forced to sustain a loss of one one hundredth of one per cent, which is trivial indeed.

These loans do make possible the production of food in this country at a price comparable and in competition with all the nations of the world, and enable the citizens of this country to obtain food of the highest quality and greatest variety. We believe there is only one major gap left now in respect of agriculture which must be corrected, and that has relation to young men without the necessary credit to borrow under this act, but who have expressed the desire and have the ability to be great farmers in Canada today. We feel there is room for action for the benefit of those young individuals, and that they should not be forgotten in the provisions under the Farm Credit Corporation and the Farm Improvement Loans Act; because a farmer wishing to borrow money under this

legislation must possess the necessary assets so that he will not become a liability.

We are in favour of making these funds available to farmers at the earliest date possible. We will wait the provisions to be contained in the new bill, and if there are no startling changes but, as set out by the parliamentary secretary, those acceptable provisions, we see no reason for delay and feel perhaps the committee stage of this measure can be completed by tomorrow. We feel that this is a good measure but, as I say, our only quarrel relates to the regretful delay in its implementation. We propose only to have one speaker at the resolution stage in order to expedite the matter. We feel the department should be complimented for the scope to which they have increased this farm loans legislation.

**Mr. Herridge:** Mr. Chairman, I rise on behalf of this party to support the principle of this resolution. Well do I remember members of this party getting up in this house, nearly 20 years ago, reflecting the representations of farmers' organizations, particularly in western Canada, urging the establishment of this type of legislation. We support the principle and purpose of this resolution, which actually is simply a measure to increase the maximum loan available for capital improvements up to \$15,000. The very fact that in 1946 the total amount that could be borrowed was \$3,000 while today we find it necessary to amend the act to provide for borrowing up to \$15,000 is a clear indication that the act has functioned very satisfactorily indeed, and that the need has been proven throughout the years.

Before passing on to a few other general observations I wish to make with respect to agriculture I want to say in passing that I trust the parliamentary secretary will inform the minister of my commendation, because there have been occasions, you know, when I have ribbed him a bit.

I must say I was very pleased to read the minister's remarks as reported in the press concerning the importance of the role of the farmer in our society. I thought they were very down to earth comments indeed about the food producers of this country. Too many fail to realize the contribution to our national life and to Canadian production and income that has been made by those who work on the land and, as the previous speaker mentioned, many people fail to realize how economically they produce the food of the nation. You meet people who actually are under the impression that farming is one of the most