

Canadian Farm Loan Act

Mr. Van Horne: There is no question of being out of order. I should like to express my approval of the objective as outlined in the words of the hon. gentleman who has just taken his seat.

In northern New Brunswick, and I may say throughout the maritime provinces in general, the Canadian Farm Loan Act is not doing the job that it was intended to do. Our farmers not only have tremendous difficulty in getting loans but they have very much difficulty in getting investigations made after applications are put in. The investigators simply will not work in the wintertime. They will not journey away from Saint John during the winter months because there is snow on the ground. Whether it is because they are afraid to get their feet wet, or whatever the reason may be, the fact is that our farmers cannot get their loans processed unless they are willing to wait for months, during which time the need for the loan becomes greater and greater and hardship is all the more real.

Another thing I should like to point out is that in my riding of Madawaska county very few of our farmers speak English. Why is it that the government insists on sending investigators who speak not a word of French? These people are placed in the position where it is impossible to do business with the farm loan board because of the barrier of language. Our farmers in Madawaska county do not understand English, let alone speak it. It certainly would not involve additional expense and it would be in keeping with the traditions of permitting people to do business in either the French or the English language, if steps were taken to remedy this grievance.

If this extra million dollars were to be used to grant those loans to our farmers who are in such desperate need of them, certainly it would be well and good. Our farmers not only have very much difficulty in getting investigations made and in making themselves understood, but it is impossible for them to get a loan. Our farmers are marginal farmers; they are commodity farmers. Many of them have to spend two or three months a year in the woods cutting pulpwood in order to implement their income. Naturally, they do not spend the whole 12 months of the year farming. In the winter months farming in the maritime provinces is very much at a standstill, except in dairy farming. All these factors should not prevent the farm loan board from recognizing the need of loans by farmers such as those I have mentioned. Steps should be taken to make sure that the applications are given the consideration they deserve.

I do not see why, for instance, a man should not be able to get a loan unless he can show

the government that he is working full time on his farm. I do not see why the loan should not be in excess of 65 per cent of the value of the security for the loan. Furthermore, many of the assets of the farmer are not acceptable as security and there is no good reason for that.

The government should take a new look at this act with a view to making the loans more readily available and permit the act to fulfil the purpose for which it was intended. That is the reason why the province of Quebec saw fit to implement their own farm credit. Since 1952 the province of New Brunswick has stepped into the field of making loans to farmers in order to assist them to buy their stock, their cattle and equipment and also to assist in the purchase of farms themselves. Certainly, there is no reason why this act cannot do the job it was intended to do. I hope this extra \$1 million will help toward that end, but I am very doubtful whether the government intends to make this act do what it was intended to do in the beginning, namely, to help those farmers who need help.

Another factor that impedes our farmers in the maritime provinces is that they are not always able to show proper profit and loss statements. Possibly that is owing to the fact that many of our farmers are not sufficiently schooled in the art of bookkeeping. I know of several applications that have been turned down merely because the investigations revealed that proper bookkeeping did not show sufficient profits on the farm to warrant the loan.

I certainly hope that the government will take the means to make the Canadian Farm Loan Act an act which will answer the needs of our farmers and place credit at their disposal, and that is what this act is not doing for the farmers in many sections of this country at the present time. The farmer of the maritime provinces is the forgotten farmer of Canada in every way, including the operations of the Canadian Farm Loan Act.

Mr. F. G. Robertson (Northumberland): Mr. Speaker, I wish to support this amendment to the Canadian Farm Loan Board Act and I would commend the government on introducing it. By it, the authorized capital of the Canadian farm loan board will be increased from \$3 million to \$4 million; but since the Minister of Finance has authority to lend up to 20 times the par value of the outstanding capital stock of the Canadian farm loan board, this will provide an additional \$20 million for the operation of the board.

Today, private lenders and lending institutions such as banks, mortgage companies and