

Oral Questions

and borrowed money from a lending institution through a floating or demand note. They are finding themselves in great difficulty because of the high interest rates at the present time. Lending money on a floating or a demand note should not have been done in the first place. The banks should have loaned farmers the money in the form of a long-term type of mortgage. We have assisted some farmers under the present Farm Credit program with the funds that were available at that time. I would be glad to review those cases with the hon. member at any time.

ELIGIBILITY CRITERIA

Mr. Vic Althouse (Humboldt-Lake Centre): Madam Speaker, this side of the House has no problem with the minister's analysis for the requirement for fixed interest rates. That was the point that we were trying to make in the debate on the Bank Act some time ago.

Would the minister define for the House, or commit himself to making a statement later if he does not know the answer now, what distinctions there are between those producers who are eligible for the Small Business Development Bond under the new provisions, and those who would not quite make that category but would, as is implied in the budget, be eligible for assistance under the Farm Credit Corporation additional funding? Could the minister tell us what the distinction is? Which farmers would manage to make the one cut-off, and which would be eligible for further assistance under FCC?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, I met the chairman of the FCC yesterday and we are meeting again tomorrow morning. We hope to have criteria that can be outlined. If one reads the budgetary papers they fairly well explain how the Small Business Development Bond is going to work.

Some members have made statements that the small business development bond will not assist many people. Already it is assisting many people even under the proposal that some of the banking institutions made, that the government make it possible for unincorporated farmers to borrow through Small Business Development Bonds, and they were lending in the hope that the government was going to do that. The government has already come through on that proposal and there has already been over \$100 million, I am told, loaned to farmers in distress. We will outline the provisions they will have to abide by before the end of the week.

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● (1440)

COMMUNICATIONS

INTERNATIONAL ACCEPTANCE OF CANADIAN POSITION ON SPACING OF AM RADIO CHANNELS

Mr. Robert Daudlin (Essex-Kent): Madam Speaker, my question is directed to the Minister of Communications. Given the interest and strong representations by representatives of

the Canadian Association of Broadcasters earlier this year regarding international negotiations on the ten-kilohertz spacing of AM radio channels, and given the expressed intent of the government, after consultation with the industry, to press strongly at the international level for the retention of the present ten-kilohertz spacing system, thus avoiding the dramatic effect the change to nine-kilohertz spacing would have on more than 300 Canadian broadcasters, would the minister advise this House of the state of negotiations, the stance that has been taken by Canada, and what the chances of success might be in terms of those negotiations?

Hon. Francis Fox (Minister of Communications): Madam Speaker, this is a question that has been of considerable interest to all Members of Parliament. I have perhaps received more representations from Members of Parliament on this question than on any other over the past six to ten months. The position taken by the Canadian government, in close consultation with the Canadian Association of Broadcasters, a position endorsed by members on both sides of the House, was that Canada should take the lead in trying to maintain the ten-kilohertz spacing for AM radio stations.

I am delighted to say that the advice I just received from my officials is that the international convention under way in Rio has accepted the Canadian position, and the Canadian position has been able to carry the day over the position of a number of other countries which were supporting the move to nine-kilohertz spacing, a move which would have cost the Canadian broadcasters a great deal of money.

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THE BUDGET

EFFECT ON CONSTRUCTION OF RENTAL HOUSING

Miss Pat Carney (Vancouver Centre): Madam Speaker, my question is addressed to the Minister of Finance. Yesterday while the minister was hosting his luncheon featuring scallops, filet mignon and endive salad, thousands of Canadians were laid off construction sites, and thousands more will be without homes because of changes in the budget that affect deductibility of soft costs. By polling developers across the country we have identified 13,000 rental units which have been cancelled or are in limbo since the minister brought down his budget. About 8,000 of those rental units are in Vancouver where 1,200 people have been sent home from work sites.

Since the government is blowing away more than \$1 billion worth of new construction in return for only \$30 million of new revenue in the next four years, will the minister at least postpone the date on which the new measures take effect, from November 12 to January 1, 1982, to allow those projects which are now under construction to go ahead? There are at least 2,500 under construction or ready to break ground. Will he delay the implementation of that budget measure?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, I notice that the hon.