

There is one problem, not with respect to the Bill itself but to its utilization. I wish to bring to the attention of the Minister that I do not believe that this Bill has received the necessary publicity. I am aware that banks are reluctant for some reason to encourage a farmer to make use of the FIL Program. I am told that it is like pulling teeth to persuade them to allow a farmer to use the program. I have talked to many of my colleagues who represent agricultural areas who have said that their constituents have encountered the same problems.

I recall several years ago when the Hon. John Turner was Minister of Finance that this matter was brought to his attention by many on this side of the House and he undertook to speak to the banking association. I believe that as a result of his representations the banks did in fact tell the farmers that this program was available. However, I believe that an educational program still must take place.

I hope that the Minister of Agriculture (Mr. Whelan) will take some steps to let the farming population know that this Bill is in existence and is available to them so they may borrow money at lower rates than ones at which they would ordinarily pay to the bank. It is my understanding that interest rates under the FIL Program are one per cent above prime, which is probably somewhat lower than what the Farm Credit Corporation is charging for its loans at the present time.

In closing, I would simply say to the Minister that there is a need to help the farming population. Many farmers are in serious financial difficulties at the present time. Interest rates have been high, input costs have been high and the price of their product has been relatively low.

I am aware that the Farm Credit Corporation has done an excellent job in rearranging loans and refinancing farmers who have been in serious financial difficulties. But the interest rate is still high when one borrows from the Farm Credit Corporation.

I was interested to hear the Minister's response, I believe yesterday, to a Member when he said that the Farm Credit Corporation was now out of money and he was asking Cabinet to allow the Farm Credit Corporation to go offshore presumably to borrow money. He took similar action a short while ago when I believe the FCC borrowed \$50 million offshore from Belgium at a rate of approximately 12 per cent.

I would like to list again some of the programs that we on this side of the House have proposed to the Minister and the Farm Credit Corporation over the years in order to make money available at low interest rates to the Farm Credit Corporation to lend to the farmers. I refer specifically to the agri-bond program which we have pushed for many years, as well as the program whereby the capital gains portion of the selling price of a farm might be lent at low interest rates—6 per cent or 7 per cent—to the Farm Credit Corporation and then relent to the young farmer at possibly 8 per cent or 9 per cent. That would be a substantial saving.

I hope the Minister will use his good offices and power in Cabinet to persuade Cabinet and the Minister of Finance (Mr.

Lalonde) to adopt the agri-bond program and some other programs that we have been suggesting to him over the years.

If the Minister is seriously interested in agriculture, as I am sure he is, and seriously interested in the farming population, he will do his utmost to see that these programs are implemented. It makes no difference whether these programs have been suggested by the Opposition or by anyone else. If they are good, I think it is the Minister's responsibility to do his best to see that the programs are brought in in the best interest of the agricultural community.

In closing, I would simply say that we in the Official Opposition heartily endorse and support this Bill. I am pleased that we are able to give three readings to it this afternoon.

**Mr. Vic Althouse (Humboldt-Lake Centre):** Mr. Speaker, I only have a few things to say about this Bill. This Bill represents a very minor change and is a simple housekeeping order to make the Farm Improvement Loans Act available to farmers for another two years.

● (1510)

I would like to point out that there are a couple of things I would like to see changed in the Farm Loans Improvement Act which are beyond the power of an Opposition Member to move, so I simply raise them in the debate today and the Minister can keep them in mind for possible amendments in the near future. Any Minister in 1985 could incorporate them in the amendments that are required to continue the Farm Loans Improvement Act another two or three years at that time. Basically they have to do with the over-all limits to the loans. At the moment the Minister knows that the limit is \$100,000 per customer. In the case of most other Acts where we have limits per customer, the Government and the Department of Agriculture have recognized legal partnerships and co-op farms. But that is not the case with the Farm Improvement Loans Act. The limit is \$100,000 regardless of a legal partnership or a co-op farm. A co-op farm may have anywhere up to a dozen members, and it may have a great need of a broad range of capital. However, the Farm Improvement Loans Act will allow them to borrow only up to \$100,000, the same as an individual operator. I think that is something the Minister should keep in mind. Perhaps he could draw it to the attention of his officials so that when he or a future Minister brings the Farm Improvement Loans Act before the House another time the needs of co-op farmers could be dealt with as well.

We note the good experience with the Farm Improvement Loans Act since its inception in 1945 or 1946. It provided loans to farmers which assisted in the recovery of the economy after the Second World War. It put the machinery manufacturing sector on its feet, because it was basically farm improvement loans that went to farm machinery, and the two programs, development of the farm machinery industry and the provisions of credit, work very well together. In fact, until 1965, 100 per cent of the intermediate term loans which farmers took out were under the Farm Improvement Loans Act. Until that time the rate was fixed at 5 per cent. After