

where you live, you are practically compelled to go into the syndicate.

Hon. Mr. Connolly (Ottawa West): That may be, but it is up to the individual person to take his own responsibility in that respect, and this is done every day.

Let me talk about the area with which perhaps I am most familiar—the legal profession. Fairly early in life one forms associations or partnerships. One takes a risk, just as one's partners take a risk with you. But it is open to you not to take the risk. It is open to you to practice alone. So too is it open to any individual farmer not to bother about this source of credit but to go and get it from the bank or, as Senator Willis suggested, under the Small Loans Act or some other commercial source. It is up to the individual, and of course nobody is more of an individualist in this country, or perhaps any other, than the farmer.

Senator Brooks quoted Shakespeare to us. This I like to hear. He quoted the line: "Neither a borrower, nor a lender be." I wish he had continued, because another line says: "And borrowing dulls the edge of husbandry." That is particularly applicable in this context. But I think the farmers have been dulling the edge of husbandry in this country in a considerably big way.

Hon. Mr. Roebuck: That was written 300 years ago.

Hon. Mr. Connolly (Ottawa West): Yes. Certainly, that is another factor. Farmers have used credit from the Farm Credit Corporation, and from other sources of federal and provincial legislation, to which reference has been made today. Farmers are into the commercial banks and other lending institutions to the extent of \$225 million to \$400 million at this time, at rates varying all the way from 7 per cent to 20 per cent, depending upon the kind of institution to which they apply for their credit. The rates that are going to be applicable to this act are not going to compare to that. I had to hesitate last evening when Senator Farris asked what the rate would be. I am informed that it will be approximately 6 per cent. But if the edge of husbandry is going to be dulled by borrowing by credit, that edge has been pretty well dulled already, I should think.

Senator Willis says that this measure will infringe upon provincial credit legislation. I do not think "infringe" is the word the honourable senator intended or should have used. It is supplementary to other federal legislation which provides credit for farmers. It is supplementary to credit facilities that are provided by provincial governments, and they are considerable.

Senator Horner referred to the great dangers of a young man being involved jointly and severally with partners on a \$100,000 note. I would point out to him that this, of course, is the maximum amount that can be borrowed by any syndicate, and whether or not a young man such as he describes would qualify as a credit risk for a loan of this magnitude is another matter.

Hon. Mr. Horner: A young man would be a better risk than an old man, wouldn't he?

Hon. Mr. Connolly (Ottawa West): He might be, although perhaps I would rather have my honourable friend on a note like this, if I were going to lend the money, than a young man.

I thank Senator Roebuck for his intervention, because he has put this measure into very good perspective. I do not think he says it is the answer to all the farmers' problems. I think probably he will be found to be critical of some of the particular provisions of the bill. However, he has helped a great deal, following other speeches which were made this afternoon that were not too critical but more critical than Senator Roebuck's—I do not object to that—in putting the matter into perspective, into focus, the way I believe the measure should be considered.

Again, I thank all honourable senators who have participated in the debate.

I would propose that when the bill receives second reading it be referred to the Standing Committee on Banking and Commerce.

Hon. Mr. Farris: I have one question to ask the honourable leader. Has it ever been considered that instead of joint and several notes by syndicate members, the liability be limited to one-third to each of the three signers?

Hon. Mr. Connolly (Ottawa West): I think this has been considered, but I understand that the conclusion reached was that considering all the circumstances the joint and several liability is preferable in the general interest.

Hon. Mr. Crerar: I have a few questions to ask the honourable leader. First, has there been any widespread, popular demand for this legislation? Secondly, has any estimate or forecast been made of the probable use of it once it is enacted into law?

Hon. Mr. Connolly (Ottawa West): I cannot give any specific answers to the honourable senator on either of these points, but I am informed that a great deal of interest has been expressed, both in eastern and western Canada, in the offices of the Farm Credit Corporation, which is the agency that will administer this legislation. There has been a good deal of interest indicated. I must add, in fairness, as I said last night, that this is