

*Farm Credit Act*

appraisal fee is under consideration and, as many hon. members know, a great many of these appraisal fees that are supposed to be charged, are not charged. This is because many of the people who have been having interviews with the farm credit advisers and field men have, after the interview, talked it over and the farm credit officials has told them, "Don't put in a formal application because your application in this form will not be acceptable, if all the rules and past precedents are followed. So until you can make a little improvement here in your plan of operation, do not submit this plan. Do not submit it until it is improved to meet our standards". As a result, do not feel too sorry for people who are supposed to have paid this \$50 appraisal fee, because I would say a great many of them do not pay a dollar. We are giving that service as a free service, but some fee has to be established.

The second point I wish to mention, Mr. Chairman, is this. Several hon. members have made this point. I refer to the question of poultry. This comes under the definitions in the regulations of the act. At the present time poultry are not in the definition of the regulations to allow the Farm Credit Corporation to lend money on a specialized poultry operation. Because of this many hon. members over the last two years have come to me and suggested that we include poultry. But the committee will remember that two or three years ago when the big discussion was going on about integrated farming, it was aimed particularly at this integration in the poultry industry.

At the time of the writing of the regulations it was decided to leave poultry out because it lends itself so much to specialization and certainly lends itself to integration. But now we are reconsidering this matter. I should like to mention not only those hon. members who have spoken in the debate, but the new member from Esquimalt-Saanich who came into the house in the last parliament, the hon. member for Wellington South, who has spoken to me several times about this; and, yes, Mr. Chairman, the hon. member for Yukon, who has raised this question as being a particular type of operation for farmers in that part of Canada. Also, I would mention the former member for Halton, and the Minister of Finance from Nova Scotia, who is not here tonight but who has raised this matter with me.

I have discussed this matter with the advisory committee to the Farm Credit Corporation and I think I can inform the committee that we have decided to make a change in the regulations to allow lending on poultry. I am going to be very frank with the committee, however. We realize that the Farm

Credit Corporation is designed, not to build up a great big factory but to help farm families become established. In those areas of Canada—and I mention specifically British Columbia and Nova Scotia—it is obvious that in looking for opportunities to give farm families a decent living one of the few ways they have at their disposal is the operation of a medium sized poultry farm of 2,000 or 3,000 hens. We have designed and worked with other designers to provide the designs for a very efficient type of poultry farm where a person with a small acreage who cannot make a living in the ordinary, traditional senses of farming, can do so with a specialized poultry operation of this size.

I for one do not want to call him a large farmer because he has 2,000 or 3,000 hens. It requires at least that number of hens to give a family any kind of a living. As long as the Farm Credit Corporation does not give the money of the taxpayer, which is of course subsidized, to the borrower to start him off on a tremendous operation which will end up with 300,000 hens, then I think we can safely go into this type of loan.

But the Farm Credit Corporation will look at it as a way of giving an opportunity to a farm family to make a living only up to a certain point, because the Farm Credit Act prohibits the use of government money being lent to farmers who do not need credit. They have all the assets, the big farmers, like the hon. member for Assiniboia. He could not get a loan even if he was not a member.

**Mr. Argue:** I am a small farmer.

**Mr. Hamilton:** He has enough land to get along by himself.

**Mr. Argue:** I am a small farmer with too many debts to get a loan; I would not be a good risk.

**Mr. Hamilton:** Under this act we are only allowed to lend to the small family farmer. That brings me to the point, Mr. Chairman, that I think is the key issue of this debate so far.

First of all I was amused, and second, I was surprised to hear members of the Liberal party follow the lead of the hon. member for Assiniboia and say that more attention should be paid to the smaller farmers. Listening to the hon. member for Assiniboia, I knew what he was getting at and I support what he was getting at; that you cannot have a fixed definition applied by civil servants acting as bureaucrats trying to establish strict rules; there has to be the ability to accept facts as they are, in this particular case, and make adjustments. The hon. member was quite correct here. There should be a more economic farm unit; there should be that type of approach.