

out this amendment, I do not understand just what these changes will accomplish.

Many owners of small farms, including young men and women, cannot make a loan of any kind in order to get started. They cannot obtain assistance through the Farm Credit Corporation. Many of these people have spent all their lives in agriculture. However, because they do not have anyone to back them up or give them a tract of land which the Farm Credit Corporation can use as security, these young people have been unable to obtain a farm. The Farm Credit Corporation has been of great help to many people, but someone has had to provide the security in order for them to obtain a loan. Therefore, I can understand the need for this increase. No doubt it will help many people. However, without the amendment, this program will do away with many more small farmers, and this is what we want to avoid. Many of us see the need for small farmers, whether this government does or not.

An hon. Member: Oh, oh!

Mr. Cadieu: The member opposite says "oh, oh". I wish to quote some unaudited figures as of March 31, 1972. These are for the area I represent. In my area there are 561 active loan accounts. Of these, 110 are in arrears. This represents 19.6 per cent of the total active loans. Of that number, 41 are less than one annual payment in arrears; 47 are one annual instalment in arrears; 19 are two annual instalments in arrears and three are three years or more in arrears. In all of Saskatchewan, there are 19,810 active loans. Of these, 3,930 are in arrears. This represents 19.8 per cent of the total accounts. I think this proves the necessity of the amendment.

Something has to be done about the present rate of interest. In many cases, the rate is as high as 8.5 per cent. With the prices these people receive for their commodities, I do not see how they can carry on. They are receiving less for their grain and other produce than at any other time in the past 20 years. Today, the dollar will only buy a little over 50 per cent of what it did 20 years ago. The farmers are in serious trouble. If we have enough confidence in agriculture, we should pass this amendment.

This government has given large amounts of money to other industries through forgiveness of loans. If we do not do something about this high rate of interest, many people will be in a lot worse trouble than at present. When we see that 19.2 per cent of the loans are in arrears, we realize that something must be done. Other industries have been given interest free loans to establish themselves. Many young people are trying to pay for their farms. If this amendment is not accepted, many of them will be forced to enter the labour market. This important fact has already been placed on the record on two or three occasions. I am sure all hon. members have read the amendment. Unless there is some forgiveness of many of these loans, we will be doing just what this government has been accused of doing, regardless of whether or not it has been doing it. However, it appears as if the government is going a lot farther toward eliminating the family farm.

Farm Credit Act

• (1640)

I don't care where you want to go, I am sure you will find the same thing as I found. Some districts possibly had better crop conditions, there were different varieties or something, but when you take the percentage of land that is under development and when you go back to look it over, that is how it appears to me. I had the pleasure of being a supporter of the government which set up the Farm Credit Corporation and when I look back on that time, and what we were getting then by way of profit—yet we were only paying 5 per cent interest—I think this is what we must take a look at. We must come up with something in the way of forgiveness of some of this interest. I cannot see what point we are coming to. If they cannot pay when they are only able to get up to \$40,000—and many get much less—and we are now making it possible for them to borrow up to \$100,000, it is absolutely no good. It is good only for the monied guys, because anybody who is going to borrow \$100,000 has to be worth 25 per cent of it before he can get it, and this is what we are up against today with the young people.

I know lots of young people who are anxious to get land to take up farming, but because they do not have fathers who are rich enough to give them 25 per cent as security, they cannot get loans. So, what are we going to do? We are going to eliminate the little farmer. The little fellow is the guy who is going to get it in the neck. He will have to go into some other industry. I think it is a shame that we have to throw these boys and girls off the farm without giving them some opportunity to get set up in farming. I believe it can be done. I do not see any reason in the world why it should not be done, if we can give away good money the way this government has been doing on some propositions. I cannot for the life of me see why these young farmers should not be recognized and given some consideration so that we can keep them on these farms, because they are the ones who should be on them. I am telling you, Mr. Speaker, that if something is not done a good many more of them will be forced off the farms because they cannot carry on at the prices they have to pay for everything they must buy to operate these farms and go on paying the interest on these loans. I think it is the right time now to give some consideration to their needs. I am sure the Minister of Agriculture (Mr. Olson) could come up with some forgiveness of some of these interests payments and we could make it far more encouraging, through other forms of loans, to help these young people get started.

I am not saying anything against the Farm Credit Corporation or the efficiency of their operations. They are only doing what they are supposed to do. The government should step in and do something to make it possible for boys and girls who are being forced off the farm into other industry, with the unemployment situation such as it is today, to remain on the farm by using some other method. I cannot for the life of me see why we cannot figure out some way of doing this, and this amendment to the bill is a start. Unless we can come up with something on these lines, then, as I say, I cannot see much point in the bill, because many people have got much less than \$40,000 yet they find themselves in grave trouble. How