

*Farm Credit Act*

minister has yet said with respect to this subsection in any way refutes or denies the case that was presented in regard to the amendment now before us, that in fact there should be some flexibility in the determination of the maximum limit of loans available to an Indian band. I suggest that in fact the subsection proposed in the bill will have the effect of limiting the Indian people with respect to any decisions they wish to make as to the manner and form in which they shall carry on their farming operations. It seems to me there is room for further flexibility in this regard. To that extent I certainly go along with the spirit of the amendment as proposed.

However, Mr. Chairman, there is another aspect of this clause which I think deserves further consideration. It is with respect to the question of what say the Indian people will have in determining the amount of the loan for which they will be eligible, particularly in view of the great variation in the size of Indian reserves in Canada. I feel this is a very important question. I suggested last night in private conversation with the hon. member for Crowfoot, after he had moved his amendment, that in fact there was necessity for further consideration of this point and the hon. member agreed, as he indicated a few minutes ago. As a matter of fact, I was about to move a subamendment when I attempted to obtain the floor just a few minutes ago. Consequently I move:

That the amendment be amended by inserting between the word "corporation" and the word "and" the following: "the council of the band concerned."

Following the amendment proposed by the hon. member for Crowfoot, subsection 4 would then read:

The total amount outstanding of loans that may be made to any one band under this act shall be determined by agreement between the corporation, the council of the band concerned, and the Minister of Indian Affairs and Northern Development, with the approval of the governor in council.

I so move, Mr. Chairman, seconded by the hon. member for Moose Jaw.

**Mr. MacInnis (Cape Breton-East Richmond):** Mr. Chairman, it may come as a surprise to the committee that I should interest myself in this matter, but I assure all hon. members that I do have a concern in the question because I represent in this house an Indian reserve. I refer to the remarks made last night by the minister in his anxiety to answer the hon. member for Kamloops-Cariboo, who had indicated support for

[Mr. Burton.]

suggestions made from this side of the house when he spoke of the tremendous amount of Indian land available for Indian farming. The amount of land available for Indian farming is in excess of six million acres.

When one considers that there are well over 2,000 reservations and well over 500 bands, one has to look very closely at the remarks the minister made last evening when he said, as reported at page 2197 of *Hansard*, that three or more Indians who form themselves into a corporate partnership are eligible to borrow up to \$100,000. The question that comes to my mind is: Will they be treated as an individual partnership in the same way as individuals would be in any other form of business? If \$100,000 is made available to the band, what is the responsibility of any three in that band who set themselves up as a corporate partnership? What is their responsibility to the band and as to the loan the band itself has received? In other words, will the corporate partners within a band be responsible for their share of the band loan? If this is the case, they can in no way be considered as an individual partnership, because in borrowing \$100,000 as a corporate partnership they have set themselves up as an individual group within the band. In this situation, how will the minister and the department be able to hold them responsible for their share of the loan of \$100,000 made to the band?

Does the minister consider, as he has already indicated, that not only is a band entitled to borrow \$100,000 but any number of band members can set themselves up as corporate partners? If there is a band of say 600 members and they decide to divide themselves up into partnerships of three, you will have 200 corporate partnerships each applying for a loan of \$100,000. The minister knows very well what this adds up to in the way of money.

I do not think the minister can legislate fairly by this bill in the form in which it is now before the house. He is telling the Indian people that this money is available but the question arises, where will the money come from if they decide to pursue to the utmost the course I have mentioned? If every band in Canada borrowed \$100,000, and the individuals within those bands divided themselves into corporate partnerships of three, the amount of money required just would not be available. I am, of course, exaggerating the situation, but if such a request came from all the Indians in this country the money just would not be available for them.