

Farm Credit Act

offered? A bill bearing No. C-100, and the assurance that something will be done to save the Canadian farmer.

How will that be done? By mortgaging his holdings for 25 or 30 years to come? The hon. member for Kings said a while ago that loans should be extended at a rate of $4\frac{1}{2}$ and 5 per cent so as to allow the greatest number possible to take advantage of this rate of interest of 4 per cent—the bill suggests 5 per cent. Now, how much will this “sound and intelligent” credit cost the Department of Agriculture? Why ask a farmer who borrows \$10,000 or \$20,000 to repay \$30,000 or \$45,000? Why ask the farmer to sell one bag of potatoes for himself and one bag for financing at the same time? Why ask him to erect one building for himself and, at the same time, one for financing?

Why ask him to pay interest when the Minister of Agriculture knows very well that his department, should the government so decide, could use a “sound and intelligent” credit directly from the Bank of Canada with an interest rate no larger than the administrative cost, which would probably mean an interest of one quarter of 1 per cent. Then, we could say that we are assisting the Canadian farmer, which is not the case when we force him to repay three times the amount of the loan.

Mr. Speaker, when the Conservatives were in office, before the Liberals, they introduced bills in that direction. The Liberals follow in the footsteps of the Conservatives. Since confederation, we follow a beaten track and when some people suggest means to enable us to get out of that rut, immediately there is an uproar and they are ridiculed for offering a solution which would be much more in line with the present conditions of agriculture in the country, a real solution, and not a mere poultice on a wooden leg, like the ones offered by the government at the present time.

Mr. Speaker, the Minister of Agriculture states that we have 34,000 surplus farms in the province of Quebec. But it was those same farmers who, 30 years ago, were sent to new farmlands in Abitibi, Lake St. John or in Lotbinière county, for instance, because at that time, a back-to-the-farm movement was advocated and we voted \$10 to \$15 million a year to assist agriculture. That is the result, after 25 or 30 years of labour. Let us go and visit those pioneer regions, the farming communities of Abitibi, of Lake St. John or of Lotbinière, where, 25 years ago, we had 225 families and you only find 40, 50 or

[Mr. Caouette.]

60 of them today. Why? Because the farmer can no longer make a living on his farm.

Today, he will be able to remain on his farm if he is granted a loan sufficient for him to remain on his land, provided he is not forever struggling to make both ends meet, day after day, week after week, month after month, year after year.

There are surely some means to assist agriculture. In my opinion, the Minister of Agriculture could offer something other than this simple amendment to the Farm Credit Act of Canada. I should immediately ask the Minister of Agriculture, when he is authorized to borrow from the consolidated revenue fund up to \$600 million instead of \$400 million, not to grant loans only in western Canada but also in eastern Canada.

The Minister of Agriculture and the government have granted interest free loans to foreign countries, in order to enable them to buy Canadian production. The government have granted loans to agriculture in other countries, without interest, to help farmers in those other countries. We readily and enthusiastically agreed to give all the help we could afford to underdeveloped countries of the world, but we also have farmers in Canada whose farms are presently underdeveloped because there are no markets, because they cannot sell their products, or else, because they cannot get organized in order to improve their production.

Now, in the circumstances, the Minister of Agriculture and his department should cast their eyes in the direction of eastern Canada, where agriculture is quickly losing ground and is on the verge of collapsing.

This legislation makes millions of dollars available to Canadian farmers provided they are not obliged to pay three times the real value, because then it simply becomes inflation. If my hon. friend from St. Jean-Berville-Napierville (Mr. Dupuis) wants to know what inflation is, let him just take a look at the outrageous interest which we are paying at all levels of government, here, with the Canadian people's money. To increase a debt, or to pay three times its value, that is inflation, because a \$100,000 school will never be worth \$300,000 nor will a \$10,000 farm be worth \$50,000 as is the case under our present financial system.

We are asking for concrete action and concrete results to assist the farmers of eastern Canada. Let us show more sympathy and more consideration for the eastern farmer. Not that we are against helping the western farmer, not in the least. On the contrary,