

development promised by a modernized FCC. In fact, farmers have been asking for an FCC that could react quickly to changes in the marketplace, thereby helping citizens of rural Canada to finance innovative proposals that would strengthen their operations and, consequently, their communities.

Honourable senators, as Bill C-95 states:

The purpose of the Farm Credit Corporation is to enhance rural Canada by providing specialized and personalized financial services to farming operations, including family farms, and to those businesses in rural Canada, including small and medium sized businesses, that are related to farming.

In this sense the bill is an enlightened and permissive piece of legislation that will indeed increase FCC's operating flexibility to meet the needs of Canadian farmers and to assist the farm sector in adapting to the new economic realities of the 1990s and beyond. This broadened purpose recognizes the importance of maintaining and enhancing rural revitalization and development initiatives by encouraging farm diversification, value-added production and the development of niche markets.

Under the legislation the FCC board of directors will be able to establish the corporation's interest rates in response to changing costs of funds and market requirements. The proposed legislation will also enable the FCC to guarantee loans, opening the door to new possibilities in the area of inter-generational transfers of farm land within farm families.

The FCC will continue to lend for all farm purposes such as purchasing or improving farm land and buildings, as well as for consolidating debts. This new legislation extends FCC's ability to make loans to farmers with off-farm income, thus recognizing the fact that, today, over 35 per cent of farmers have off-farm income. Many farmers today look forward to such challenges in order to broaden their perspectives and stabilize their income. FCC will expand its lending to value-added diversification on the farm and farm-related business enterprises off the farm. This initiative recognizes the vitality of Canadian agriculture and the contribution that adding value to basic farm commodities will play in our future.

The new FCC bill will serve farmers better by allowing the acceptance of all types of security for loans from real estate to promissory notes and other items of value such as quota. The FCC will be given the power to enter into agreements with any department or agency of the Government of Canada or of a province, or with any other person or institution. This will allow the sharing of expertise in the efficient use of resources for the benefit of farmers.

As the corporation's mandate expands, specialized financial counselling services provided by the FCC will continue to

play a vital role. The FCC employs professional agrologists working as front line advisors. These farm finance experts, for the most part, have been raised on farms, still have family actively farming and hold university agricultural degrees. FCC credit advisors are empathetic financial counsellors who understand the realities of managing a farm business, a characteristic that sets the FCC apart from its competitors and one of the reasons why the FCC is the preferred farm lender in survey after survey.

In summary, honourable senators, the aim of this legislation is to ensure that the FCC can effectively meet the evolving needs of rural Canada by encouraging on-farm diversification, value-added production and the development of new markets. At the same time, the FCC will continue its long tradition of excellent service to primary producers, the farming men and women who will continue to represent the bulk of its clientele. Without a doubt, the FCC is committed to the success of Canadian farmers. I am proud to speak in support of Bill C-95 and I congratulate members of both sides of the house and of the Senate on working together for the passage of this legislation.

On motion of Senator Molgat, debate adjourned.

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BILL TO AMEND—SECOND READING

On the Order:

Resuming the debate on the motion of the Honourable Senator Chaput-Rolland, seconded by the Honourable Senator Beaudoin, for the second reading of Bill C-88, to amend the Copyright Act.

Hon. John Lynch-Staunton (Deputy Leader of the Government): Honourable senators, for Senator Chaput-Rolland, I move that this bill be read the second time.

Hon. Gildas L. Molgat (Deputy Leader of the Opposition): Honourable senators, I am quite happy to support the motion. I had almost come to the conclusion that the mysterious senator who the Deputy Leader of the Opposition told me wanted to speak on this bill had somehow or other disappeared. As far as we are concerned, we are anxious to see it go to committee.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and bill read second time.