

*Farm Loans Interest Rebate Act*

we can do all this more cheaply than we can by taking oil from a well.

In Pittsburgh, people from the Department of Mines did large-scale research on this subject over 15 years ago. They could not hold hearings down in the United States, so they came to Winnipeg to tell the world about what they had done. Three different items were used to make natural gas and oil. They could make oil for less than a dollar a barrel and natural gas for 37 cents per thousand. We are now paying over \$3 per Mcf for natural gas.

The University of Saskatchewan experimented with poplar trees and has proven that hydrocarbons comprised 50 per cent of their waste. It now has a grant from the federal Government to go ahead and demonstrate on a commercial scale what it can be produced for. Much better than the poplar tree is the jack pine tree. Ninety per cent of its weight is in hydrocarbons. That is the type of thing on which the department of mines of the U.S.A. worked.

• (1630)

I am sure everyone will laugh when I say you can do the same thing with cattle manure or with garbage from humans, but the fact is it is being done all over the world. Why not let the Farm Credit Corporation lend money to farmers for doing things that reduce costs? As for legal technicalities, all the Government has to do is to reintroduce the Crosbie budget proposal on renewable resource taxation. We should get away from this theory that a person who produces alcohol is doing something nasty. People are not going to drink this type of alcohol because it is not potable. Let us get away from these fears that go back to the 1920s and the days of the scandals over Beauharnois.

I could go on and talk at length about this whole concept of biomass. The University of Manitoba and the University of Kitchener have done tremendous work in this field. All we have to do is to let the individual, through the tax system, get access to this information, and with the money to go ahead he will get enough money to pay back his loan, reduce his costs and invest in other things to keep the thing rolling.

That is only one field. I would like to suggest that it is not only for biomass energy objectives that we can use the Farm Credit Act, but we can use agriculture as the cutting edge for getting into whole task of producing energy on a renewable basis without using any of our good land. We can use what we call waste land. We can open up all the boreal forests to multiple uses, not just cutting pulp. We should be using all of the waste trees that are now called weed trees. We can introduce a whole new industry now.

This idea is not new. At one time I was asked to prepare a plan on this for the Quebec Government. That Province knows what the plan is and in due course I imagine it will be brought to light.

I would like to see farmers in areas close to forests get access to the forests and farm the trees as they should be farmed, not by the wasteful method that nature has called silviculture. Europeans have farmed trees for 200 years, and if the Europeans can do it, we can do it here. Utilization of forest wealth

in Canada will be made possible for many purposes instead of just pulpwood, paper and lumber. Most important will be the production of energy. At the same time, we will improve the quality of the forests because forest management will be in the hands of people who will benefit from their use. I am referring, of course, to the farmers. This cannot be done by mass operations in forest areas.

These ideas are not tossed out for the sake of hearing the sound of my voice. I have talked about this for a long time, but now that the country is on its back, now that the country is worried about how it can be so wealthy in potential, there are things we can do. We can do so much to restore the place of Parliament in the hearts of people if we do something positive and let this "baboon game" of politics go. We should not be showing our bare red behinds to each other. Let us get out and do practical things.

We are lucky that we have agencies like the Farm Credit Corporation, the Canada Mortgage and Housing Corporation, the Export Agency, the Small Business Development Bank and so on. We have the agencies in place. The key is to utilize those agencies by not taking money from the treasury, of which we do not have too much, but taking the money from the people who are willing to invest. We have more money in Canada than we know what to do with. The Economic Council has been worrying about this for years.

We put barriers against individuals who invest in risk enterprises because we would rather have things done by the Government. I suggest that we should set individuals free in this country to make money. All one has to do is to get rid of the bottlenecks, such as the legalities preventing people from producing alcohol. These fears should be removed. If a man makes a profit, tax him on that profit. That is legitimate. All I am saying is, let the individuals have a chance to make a profit.

With regard to the over-all market opportunities, the Hon. Member for Lisgar handled that quite adequately. Despite what economists have said for 20 years, the job of feeding this world will take all our efforts in every country for the next 20 years even to get close to meeting demands. Why Americans and Canadians should be battling each other on such things as cattle, fruit and now even the grain industry, I just cannot understand. All we have to do is to tell the farmers of the United States to unite with Canadian farmers. By doing that we can find new markets. We can find ways for people to sell their goods so as to get enough money to pay for ours. We do not want help from the Government in the form of handouts. What we want from Government is the machinery to see if we can collect money from individuals in Canada who will take risks through the Farm Credit Corporation. What we have to do is to get interest rates down to half what they are today. That can be done by using the principle of the Small Businessman Development Bond. The Minister keeps calling it an agri-bond, but that is what he means.

The precedent was set for this in the First World War. It exists in other cases in Canada. The precedents in the United