

Farm Credit Act

complicated as to impair the full implementation of such an important provision. In this regard I hope that the minister in charge of Indian affairs will see that this measure becomes operative and thereby place people before policy.

There is one provision, however, with which I am not in complete agreement because it violates the principle under which the Farm Credit Corporation was to operate. The fact that two individuals carrying on a single farming operation may borrow up to \$100,000 as I am led to believe, would reveal that we are moving a further step toward the elimination of small farm units. What we are doing in essence is to expand successful farm units rather than to assist small economic units in becoming viable economic ventures. I do not believe this was the original intention of the act.

Perhaps it is difficult for some people to realize why credit should play such an important part in farming operations. The reason is that we now live in a cash society, and if the farmer is to be able to acquire those things which he needs, both to operate efficiently and to enjoy the benefits of the society to which he is still a major contributor, he too must acquire credit. In that sense he is like many businessmen, both in large and small ventures, who are required to finance present operations out of future profits.

Perhaps the situation becomes clearer when one compares what has been happening to farm income in the last year with what has been happening to corporation income.

According to the Canadian Statistical Review, September, 1968, farm income for 1966 stood at \$2,204 million. For 1967 the figure for farm income was \$1,698 million. Corporation income in 1966 was \$2,949 million, while corporation income in 1967 was \$3,194 million.

• (5:40 p.m.)

This is certainly not an encouraging picture for Canada's farmers and for those who believe as I do, that farming remains a basic necessity for the economic prosperity of this nation and that the continuing deterioration of farm income represents a threat to our national economy. I know that there are some economists—and they are very close to the present government—who regard farming as simply another collection of statistics. It is more than that to me; it is a way of life. There are some in government who hold the principle that the cure for the farm problem

is to remove the farmers, to take them off the farm. Let me suggest, Mr. Speaker, that you do not cure rural poverty by importing it into the city; you merely create urban poverty. I was born and raised on a farm in Alberta. So far as I am concerned, that is the greatest heritage I have. Those were the happiest days of my life, the most carefree. Today I see a decrease in our rural population. I see the rundown, decayed condition of our small towns. I have talked to many young people who would like to go back to farming but because of the great amount of capital involved in starting a farm operation and because of the uncertainty that exists in this industry, these young people are working in our big cities.

The solutions to these problems are not easy, but I submit that if this government were really dedicated to preserving the traditional family farm unit and the normal life of such families, solutions could be found. Some say the farmer is not efficient or that some farmers are not efficient. According to the fifth report of the Economic Council of Canada, page 82, the average output of agricultural workers has trebled in the past 20 years. What other industry can show the same results? There are those who say that because employment in agriculture is down to less than 10 per cent of the labour force, agriculture is no longer a major factor. I submit this is a dangerous philosophy. When agriculture can bring into the economy of this nation an income in the neighbourhood of \$2 billion per year, that is a major factor in our economic well-being. Agriculture is the only area in which income has not kept pace with rising productivity. The economic council, page 82 of its report, says:

However, average farm incomes have remained significantly lower than average non-farm incomes.

The sad fact remains that the fate of this report will probably be the same as the others which preceded it. It will be shoved to one side by the government and placed on a shelf. In spite of the fact that agriculture is a major contributor to the economic welfare of this nation and to the gross national product, despite the fact that the prices farmers have to pay for the things they must buy have more than doubled while the prices of the things they sell have remained stationary, and despite constantly increasing taxes, we now have a government which comes along at a time when it cannot move wheat and tells the farmer he must accept higher interest rates for farm credit. The imposition of higher interest rates on the farmer at this time, as