

*Farm Credit Act*

to reduce the social and economic waste evident today in many parts of Canada on Indian reserves and among the Indian population.

Having said that, I want to note that it is regrettable it should be necessary to have a special clause in the act to enable its extension to Indian people on Indian reserves. It seems to me that the necessity for such a clause is one further example of the elements of segregation which are still present in our laws dealing with this group of people. I am fully aware that this general problem does not come under the specific purview of the Minister of Agriculture. However, I hope he will keep in mind the day when it will be possible to remove this special clause without in any way inhibiting the extension of Farm Credit Act facilities to people of Indian origin.

Assuming that legislative sanction is needed to deal with this matter, and I am not completely certain yet of the necessity for legislative action, I must say that the clause presented was inadequately conceived, inadequately thought out and inadequately drafted.

The first and major inadequacy is in respect of the role of the Indian person. In what respect does the Indian have any say in running his own affairs, as this clause is proposed? The scope of the agreement called for in subsection 1 between the corporation and the Minister of Indian Affairs and Northern Development—

**The Chairman:** Order, please. It being five o'clock shall I rise, report progress and request leave to sit again at the next sitting of the house?

**Some hon. Members:** Agreed.

Progress reported.

**Mr. Macdonald (Rosedale):** Mr. Speaker, I think there may be a general disposition in the house to waive private members' hour for this afternoon on the understanding, of course, that it will not be lost to private members.

**Mr. Deputy Speaker:** Is it agreed that private members' hour be suspended this afternoon?

**Some hon. Members:** Agreed.

**FARM CREDIT ACT**

AMENDMENT RESPECTING ELIGIBLE CLASSES, AMOUNT OF CAPITAL, INTEREST RATES, ETC.

The house resumed consideration in committee on Bill No. C-110, to amend the Farm

Credit Act—Mr. Olson—Mr. Faulkner in the chair.

On clause 6—*Agreement re loans to Indians on reserves.*

• (5:00 p.m.)

**Mr. Burton:** Mr. Chairman, the scope of the agreement called for in subsection 1 between the corporation and the Minister of Indian Affairs and Northern Development is not clear, and I would like to have some further explanation from the minister. For instance, I would like to know whether the Department of Indian Affairs and Northern Development will have complete control over the Indian person's affairs. Will the Indian person have any say in running his own affairs, or will this agreement result in one more extension of the department's powers over the affairs of the individual? Will the Indian person or group have to go through the usual bureaucratic red tape in dealing with the applications?

I have known of many cases where authorizations have been delayed until they were of no value to the persons applying for them. I can give one example that I saw during the past summer. This was an application by a farmer who lives just outside the reserve involved for authorization to purchase seed grain. The authority to purchase the seed grain was received by the Indian farmer after it was too late to use the seed in that season. Will the Indian agent or superintendent have effective control? Will everything have to go through him? Will the Indian person or group have any direct contact with the corporation?

Moving on to subsection 3, I point out that this subsection removes the necessity for a mortgage on the lands involved as security. I can understand that some provision would be necessary in this respect because of the present legislative provisions with regard to the status of Indian lands. Presumably this is one point that will be dealt with under the agreement mentioned in subsection 1. Possibly the agreement will provide for some related measure. But if subsection 3 waives the necessity for a mortgage, it raises still further questions as to the necessity for a special agreement between the corporation and the minister as set out in subsection 1.

Subsection 4 has already been discussed quite thoroughly with respect to the \$100,000 limit on loans to a band. This applies, apparently, to all sizes and types of bands and band areas. I want to say that nothing the