

Farm Credit Act

I should like to reiterate the words of the hon. member for Bruce (Mr. Whicher) who paid tribute to the officials of the Farm Credit Corporation who have looked at the various problems of arrears and the people involved with a great deal of sympathy. I have had correspondence with the chairman of the Farm Credit Corporation and many of his officials and officers who, in my opinion, have bent over backwards to try to help these individuals in every way possible. I want to convey to them the appreciation of many who have found their administration flexible enough to consider all factors.

The article goes on to point out further specific examples. It reads:

Ralph Ressler was raised on a farm in this region and in fact gave up farming during the 1950s to work in town.

And he wishes he'd stayed there, although he's in a better financial condition than many of his neighbours.

"Twelve years ago I had a good job and don't owe anybody a cent, but the government came along and said grow wheat and I listened. I borrowed \$30,000 and bought some new machinery and more land and some cattle."

Right now Ralph is \$4,000 in arrears, he's been threatened with foreclosure and he's certain that "without those cows I think they'd have foreclosed on me a long time ago . . ."

Peter Kulyna, a 41-year old mixed farmer who's been at it since he was 18, maintains there is plenty of agricultural land available now and "It's no use opening up any more land."

Ten years ago, he says, he had eight quarters of land and "about \$30,000 kicking around in cash".

• (1600)

Today he's about depleted his reserves and says it's a simple matter of agricultural products costing too much to produce in relation to their selling price.

That is generally the perspective offered by the agricultural economy today, particularly in the northern parts of my province and in many other areas of western Canada. The problems involve mainly an unfair return for the products produced by the farmer in relation to the cost of production, combined with inaccurate marketing information, and also some trouble in respect of fiscal management.

When considering this bill to amend the Farm Credit Act, one of the first observations that one must make is that it goes far beyond the original objectives of the Farm Credit Act. A number of the proposed amendments can be classified as improvements to meet current demands. These include such provisions as the increase in the amount of the loan, provision for increased capitalization, amendments to the minimum age requirements, and the matter of citizenship eligibility. These are generally desirable amendments. I have no objection to them. But it seems to me that this measure will be of little benefit to any of the farmers who are having difficulty at present in discharging the mortgages they hold. The main problem in agriculture today is that of net income, and not necessarily having more funds available to borrow.

In his speech to the House last week, the hon. member for Bruce (Mr. Whicher) went to great lengths to point out that the agricultural situation has improved quite considerably. It may have improved in Ontario, Mr. Speaker. It may be fine there, but I must say that in western Canada we have had a reduction of roughly 50 per cent in our net realized income between the years 1966 and 1970. Here I

[Mr. Mazankowski.]

am referring to the statistics of net farm income for 1970, provided by the Dominion Bureau of Statistics. We had roughly \$1 billion worth of realized net income in 1966. That dropped to roughly \$494 million in 1970, a reduction of more than 50 per cent.

When the Chairman of the Farm Credit Corporation appeared before the standing committee the other day, he disclosed the amount of arrears which farmers had incurred on their loans. In western Canada those arrears are roughly \$15 million, an average of some 25 per cent of the outstanding loans. In Ontario, the arrears amount to \$1.5 million, or 7.7 per cent of the outstanding loans. In Quebec the arrears are \$446,000, or 4.7 per cent of the outstanding loans. So, while these problems are present generally across the country, the position of the agricultural industry in western Canada has been reduced more than the position of the industry in central Canada.

Clause 1 of this bill reads:

The Corporation has all the powers necessary to carry out such duties or functions as may be assigned to it by the Governor in Council in relation to the administration of any agricultural program or as are assigned to it pursuant to any other Act of the Parliament of Canada.

It seems to me that this clause delegates power and authority to the Farm Credit Corporation to reshape the economic and social structure of the production sector of agriculture. These powers are very broad. They may be assigned to the directors by the Governor in Council or by an act of parliament. This is my first objection to the bill. If we are going to assign carte blanche authority to a Crown agency to administer agricultural programs and thus reshape the concept of the agricultural industry, as parliamentarians we should have a right to know what their programs are all about, and we should have a right to debate them. Above all, parliament and the farmers of Canada should know what these programs entail.

I am against any program being assigned to the Farm Credit Corporation or, for that matter, any other federal agency, by order in council, and when we reach committee stage I believe an amendment must be introduced to withdraw that power of assigning such a function to the corporation by order in council. The details of the immediate program intended to be administered through this clause of the bill are very sketchy. They are ambiguous, and in many cases controversial. We really do not have a bill before us dealing with the provisions of the so-called small farm development program. Without knowing the details, and the intentions of the government, we are not in a position to debate this part of the bill in an intelligent way.

I believe that the motives behind this program form part of a plot to cure the problems of agriculture by encouraging the removal of vast numbers of people from the agricultural industry. It is, if you like, a form of occupational genocide. There can be no doubt the ultimate objective is to carry out the plan of the ivory-towered bureaucrats and academics through a process of rationalization and adjustment in the family farm enterprise. From what we are led to believe after considering the small farm adjustments program, from the various policies that have been introduced by the government, and indeed from the task force report on agriculture, farming is no longer considered to be a way of life but