

Canadian Farm Loan Act

of a federal agency which would be responsible to the Department of Agriculture rather than to the Department of Finance. This agency would include a loan department similar to that authorized under the Veterans' Land Act. This is also one of the recommendations of the Canadian federation of agriculture. This would mean that the borrower would have the advice of specialists in agricultural questions until 25 per cent of his debt has been repaid. Only at that time will the inspections cease. Both of these organizations requested lower interest rates. The interprovincial farm union council maintains that the interest rates should be from 3 per cent to 3½ per cent. The Canadian federation of agriculture asks that the rate of interest be reduced to the same level as the government borrowing rate, plus a small margin. But it recognizes that the administration of the loan system should be the responsibility of the government.

Another point on which there is general agreement is on the amount of the maximum loan and the percentage of valuation of property. They agree that the maximum loan should be \$20,000 and the Canadian federation of agriculture recommends the percentage of evaluation of 80 per cent for loans up to \$8,000, with a gradual reduction to 65 per cent for loans from \$16,000 to \$20,000. All loans between 70 per cent and 80 per cent should be subject to inspection of government specialists. Those are the general improvements that should be included in this resolution.

The Liberal party has some views on the organization of a modern farm loan policy. I do not intend to speak on these views at length during the discussion of this resolution since I have a motion on the order paper proposing that, in the opinion of this house, the government should give early consideration to the advisability of the establishment of an agriculture and fisheries development bank to consolidate and expand existing credit facilities for persons engaged in these primary industries and to provide sufficient capital to enable farmers and fishermen to make capital improvements. When that resolution comes forward for discussion I will have an opportunity to outline the Liberal party's views on this subject.

I should like to remind the minister that it is more important than ever for him to outline the agricultural policy of the government by which they propose to make it possible for farmers and fishermen to share in the riches of our country in the same manner and to the same extent as other groups in our society. During the last two election campaigns all Conservative candidates bewailed the conditions of the farmers and

even went as far in some cases as to sound their "last post". All this great misery, they claimed, was caused by the Liberal administration. Yet we do not see one single Conservative member of parliament, not even from the province of Quebec or the maritimes, insisting on the rights that they promised to defend a few brief months ago.

All that these members have done during this session, and all they will likely do after I have spoken, is to sing the praises of the minister for increasing the capital of the farm loan board from \$4 million to \$6 million. We intend to vote for this measure because it makes more credit available to the farmers but we feel that it is not the improvement the farmers were led to expect during the election campaign and we hope that the government will bring in legislation to help our farmers and other working classes.

Mr. Nasserden: Mr. Chairman, I am sure that Canadian farmers will welcome the action envisaged in the resolution and will also welcome the improved attitude on the part of the officials of the Canadian farm loan board. As we will have a further opportunity to discuss the details at a later date I will not say anything further in that regard until that time.

Something has been said about farmers going to California, Miami or other places in the winter. I want to tell the house something about that because there are a number of farmers in the prairie grain growing areas who do that. They do so to save money because taking into account the cost of fuel over the winter the amount of money involved will pay their fare there and back and it does not cost any more to live there than it does to live in Canada. Most of the farmers who do that have been at the job for 30, 40 or 50 years. I know one farmer 84 years old who has gone to California on a number of occasions.

The Deputy Chairman: Order. I would ask the hon. member to take his seat while the chairman is standing. I want to remind him, as I said before, that we are not discussing trips to California. We are dealing with the resolution before us increasing the authorized capital of the Canadian farm loan board and I will have to ask the hon. member to confine his remarks strictly to the resolution before us.

Mr. Nasserden: I am very glad to comply, Mr. Chairman, and I am sure that all hon. members will realize that those who do go to California have a good, sound reason for doing so.

Mr. Carter: Mr. Chairman, there are three brief points I should like to make on the resolution. In the first place, I should like