

Farm Credit Act

that would destroy me in Quebec and the maritimes. I am therefore going to give you the figures and relate them to income.

I am going to list next the net farm income for the years 1959, 1960 and 1961 by provinces. Then I am going to give the number of loans disbursed from October 5, 1959, to September 30, 1962. That is the period in which the act has been working. I will do this in percentage of net income. Then let us see just how much discrepancy there is as between the various provinces.

The net farm income of the province of British Columbia over these years was \$170,940,000. During that time there has been disbursed in loans \$8,990,000. I will give the *Hansard* reporter these exact figures so that I can go over them more quickly now. The province of British Columbia received in loans approximately \$8,990,000. This amount was 5.2 per cent of the net income of that province. Alberta during this period had net farm income of approximately \$718 million and received approximately \$41 million in loans, or a percentage of net income of 5.79, so there is not much discrepancy there. Saskatchewan with net income of approximately \$718 million received loans amounting to about \$53 million, or a percentage of net income of 7.40. This is a little higher, but there is a reason for that and I can give it. Manitoba had net income of \$258 million approximately and received loans amounting to approximately \$10,800,000, or a percentage of 4.19.

During those three years or parts of three years Ontario had net income of \$1,002 million, and loans disbursed in that province under this long term type of credit amounted to nearly \$49 million, or a percentage of net income of 4.88, very close to the national average. During these years Quebec had net income of approximately \$575 million and loans amounted to roughly \$4,600,000, which gives a percentage of net income of .41. I want to come back to that in a moment.

New Brunswick had net income of roughly \$50 million and loans of approximately \$1.8 million, for an index figure of 3.64. In Nova Scotia net income amounted to approximately \$43 million and loans were roughly \$1 million, for an index figure of 2.42. In Prince Edward Island net farm income amounted to roughly \$33 million and loans were approximately \$1.9 million, for an index figure of 5.78. Taking the three Atlantic provinces the Atlantic total for net farm income was roughly \$126 million and loans amounted to approximately \$4.7 million, for an index figure of 3.78, not too far off the national average; because the national total for net farm income during those years was roughly

[Mr. Hamilton.]

\$3.5 billion and loans amounted to approximately \$173 million, or a national figure for percentage of net income of 4.84.

In reading these figures into the record I want to make it absolutely clear that I was the one who first raised the question of the proportion of loans going into the various provinces, but I never thought there would be such a chasing of the hare down the forest path as there has been in an attempt to prove that the government has discriminated against one province or another. I was the one who raised the matter and I pointed out, clearly enough I thought, that I was not satisfied with the number of loans in the province of Quebec. However, everyone knows that for years the province of Quebec has had provincial loan legislation under which farmers can borrow for 2½ per cent, whereas our loans carry an interest rate of 5 per cent. I think that is one explanation why the farmers of Quebec were borrowing from the province. They were borrowing where they could get money at 2½ per cent, because I do not think the farmers of Quebec have gone softheaded yet.

In recent months, however, there has been a falling off in loans by the provincial government, probably because it has said that it will pay 2½ per cent of our 5 per cent interest rate if the farmer borrows from the federal government. We have seen this opportunity and have moved in and offered federal farm credit with all the counselling that we do. I will give the figures for one county, or maybe it is two counties together. Over a period of eight years there were only six loans. This year applications have been made for 118 or 119 loans.

An hon. Member: One hundred and twenty.

Mr. Hamilton: Somebody says 120. In that particular area we will make 75 to 100 loans in one year, as opposed to six loans in eight years. This is because of the opportunity afforded to us when the provincial government moved out of the farm credit picture to a degree.

The other province that I do not think is satisfactory is Nova Scotia. Once again, the province of Nova Scotia has a provincial credit act under which larger loans than we make are available. The act is much more flexible than ours, so naturally the good, solid farmers of Nova Scotia tend to make use of the more generous legislation.

These things do not mean that we should sit idly by and say that because Quebec makes loans at a low interest rate and because Nova Scotia has a very fine provincial act we should not do anything in those provinces. The federal legislation has a particular service to