

Clause 4(1) states:

Where an organization proposes to make an advance to a producer out of money borrowed from a bank for that purpose, the Minister may, on behalf of Her Majesty, on such terms and conditions as are prescribed and subject to this Act, guarantee to the organization the repayment of that advance, including interest thereon.

Criticism has been made of the fact that a producer must belong to an organization before he can take advantage of the bill. Under the definition clause, "organization" means an organization of producers, and "producer" means a producer who has actually produced a crop. I have not been able to find anything which says that an organization could not make a loan to a non-member. Normally, we would expect that the producer would belong to an organization. There has also been criticism that producers are being forced to belong to an organization. The bill does not say that a producer must belong to an organization in order to get a loan, but it could very well be, and the organization might not give it to him unless he did belong.

Clause 5(a) of the bill reads:

5. The Minister may give a guarantee to an organization under this Act only if

(a) he is satisfied that the producers to whom the organization proposes to make advances have produced a significant portion of the crop in question in the area represented by that organization—

What is meant by "significant portion"? There is nothing that I can find in the bill which in any way defines "significant portion". It has been suggested that this will be dealt with under the regulations.

It has been said that the government is setting up an intermediary between the lending institution and individual producers. That is true. It is setting up a producer organization, but I am not sure whether that organization must be made up of only producers, because as defined in the bill "producer" means a producer who has actually produced a crop, whereas some organizations include more than the actual producer; for example, an apple organization may include the growers, the packers, and so on.

Honourable senators, it does seem that this is a cumbersome method of making a loan. I would prefer to see the individual producer get a loan from a lending institution without going through any organization, and have the government make the guarantee to that lending institution. Why this has not been done, I do not know. I have read the proceedings of the other place fairly closely and I have not found any argument which convinces me that going through a producer organization is a better way than dealing on an individual basis.

Again, the point has been raised as to what is meant by an organization, because some of these organizations are loose associations of different people. It must be a legal organization, an organization which can sue or be sued. This is essential in that the money is going to be owed to the organization. It would be a simpler method to have a direct loan

between the producer and the lending institution. In any of these matters, I believe the more simple you can keep it the better.

As provided in the bill, regulations will be made for various purposes. Now, it has been said here many times by different senators that it would be a good idea to have any regulations under a bill set out at the same time as the bill itself. Of course, the old answer has always been, "They can't actually make any regulations until the bill is passed." Well, they certainly could set out the proposed regulations, and in this way everyone would be better served than is the case now. This bill was introduced in the House of Commons on October 21 last and was debated at length there on October 27 and 28, February 16 and March 3. It was finally given third reading and passed on April 1. There were six committee hearings on December 2, 7, 8, 9, 14 and 16 and on March 3. In my opinion the matter has been discussed about as thoroughly as one could hope for. Admittedly, in the House of Commons committee the discussion ranged over more than just the bill, because they did go into agriculture generally. Because the bill has to do with agriculture, I expect that the very knowledgeable chairman of our Agriculture Committee will wish to make a few remarks on it, and I assume he will want it referred to his committee. I look forward to hearing from him on the subject.

● (1420)

Honourable senators, I believe we should support the bill and give it a try, at least. It may not be the best measure that can be devised, but it is better to have this than to have none at all. In any event, if it does not work we can amend it at a future date.

There is one other point. In my study of this bill, which relates to agriculture in general, I found in looking at the index in the latest revised Statutes of Canada that over 30 acts relate to agriculture. It is a cumbersome process to look up the various sections for those acts; indeed, it is difficult to find them. For that reason I would suggest that, if it is possible, there be a consolidation of those acts so that it will be simpler and easier in future to see just what acts apply to agriculture and to find them without too much difficulty when dealing with amending statutes.

In conclusion, honourable senators, may I say that I think we should pass this bill because it will certainly be helpful, and, as I mentioned, if the need arises we can make amendments to it in the future.

Senator Ewasew: Honourable senators, I should just like to make an observation or two with regard to the discourse just made by my confrere, Senator Macdonald. I, too, have gone through this material and I have come to the conclusion that, per se, the only reason for interposing an organization between the producer borrowing the money and the financial institution lending the producer the money, which is guaranteed by the government, is to ensure that there is sufficient collateral. One can only deduce this, but I feel that this is put in to permit the individual producer to borrow money who would otherwise not have the kind of collateral or financial backing to borrow