

Canadian Farm Loan Act

preceding the bill was under discussion I spoke and suggested the setting up of a tribunal. I find that the greatest objection is to the method of valuation of farms. Loans are supposed to be granted to the extent of 65 per cent of the value. I have no objection to that percentage but the difficulty is to find a valuator who will place a 65 per cent valuation on the farm that the applicant thinks is high enough.

If a tribunal were set up to which an appeal could be made I think it would not only do away with a lot of dissatisfaction and discontent with the board but would also be a great help to those who are trying to obtain loans. I know what would happen if I suggested an amendment to the bill. As it is a money bill the amendment would be ruled out of order. But the point is that if a tribunal were set up it would save the board a lot of criticism and would also help the applicant to get a loan in the reasonable amount that he wished to have. I think everybody would be much happier. It would not cost a great deal of money and would certainly tend to make things better both for the board and for the applicant. Before the bill receives final reading I hope the minister may see fit to bring in an amendment providing for the setting up of a tribunal to act as an appeal board.

Mr. O. L. Jones (Okanagan Boundary): Mr. Speaker, I should like to say a few brief words on the situation in British Columbia. The hon. member for Okanagan-Revelstoke (Mr. McLeod) has already brought to the attention of the house the difficult situation that the fruit farmers face so far as the Canadian farm loan board is concerned. With respect to the Okanagan we feel that the Canadian farm loan board is a body that operates by very remote control both physically and mentally. They disregard entirely the values of our orchards. They disregard the value of trees, young, old or in between. It does not matter what their stage of growth is. They just deal with the land and do not pay any attention to the sale value of the property.

Unfortunately, they depreciate any decent building to the extent that a farmer who has a shack on his place can get just as much by way of a loan as the man who has a \$10,000 or \$15,000 home. I think they are not realistic as to the value of fruit farms and the buildings on such farms. I have had several cases of farmers who have come to me and have shown me the terms demanded of them by the farm loan board office in Vancouver. The terms were impossible. Obviously the board does not understand the situation.

I suggest to the minister that in order to be fair to the fruit farmers of the interior

of British Columbia and also the dairymen we should have a suboffice in the interior manned by people who understand the local situation and who definitely understand fruit growing. In this way the feeling would be removed that we have no contact or connection with the office in Vancouver and that the people operating that office have no contact with our type of problem.

Various cases have been mentioned by previous speakers, and I can duplicate them. I know of cases involving first class lands where applications for loans have been turned down flat by the farm loan board. I also know that several of these men, after having been turned down flat as poor risks by the farm loan board, have gone to their local banks and obtained loans. In that way I think the farm loan board is tougher to do business with than the orthodox banks.

My concept of the farm loan board is that it should be out to help the farmer and should be easier on the farmer when he wants a loan. I know one case where the farmer has got by very nicely. He gets his income partly from fruit and partly from cattle. In order to come within the terms demanded by the farm loan board he was told he would have to get rid of all his cattle, one of his sources of income, apply the money on the mortgage and then he would qualify for a loan. That is the most stupid thing I ever heard of. I advised him not to do it. He did not and he did not get a loan. He is able to get by now and has sufficient income to handle a loan but if he had got rid of his cattle he could not have taken care of his loan, his family or anything else.

Those are some of the problems we have and they arise through lack of understanding on the part of the head office in Vancouver of the peculiar situation in the interior. The last speaker made a very good suggestion and I think the minister should consider it. He suggested that a tribunal of farmers living in the district where these problems arise should be given the power to reconsider loan applications turned down by the farm loan board. They should be given the power to rescind such refusals if on the evidence presented and knowing the local conditions they think that the farmer is entitled to a loan. I hope the minister will pay attention to that suggestion because I think it is a good one.

Mr. A. J. Brooks (Royal): Mr. Speaker, I simply want to say a few words. I spoke on the matter at the resolution stage. I quite agree with the hon. member for Restigouche-Madawaska (Mr. Van Horne) that in the province of New Brunswick a lot more could be done for the farmers by the farm loan board. The fact that only 40 farmers made