

and unknowingly, continually discuss the problems of farmers and people in farming communities from what I would call a restricted point of view, in the same way as we examine Farm Credit Corporation loans. Let them examine the problems in depth. There is never an examination of the whole question of an incomes policy and the costs of production. As was mentioned by the hon. member for Saskatoon-Biggar (Mr. Gleave), the government has had possession of the Barber royal commission report on the price of farm machinery, but has taken no action on it. At the same time organizations such as the Canadian Federation of Agriculture have made representations on an incomes program that would ensure a reasonable return to farmers, that would help keep them on the land, and that would facilitate and encourage young farmers to get into farming because they know they will get a reasonable return on the labour and capital they invest.

• (1620)

But within the department we have the Canadian Grain Commission, the Farm Credit Corporation, the Deputy Minister and others discussing this whole matter in a restricted manner, in terms of farmers and of farm units, without touching the whole question of an incomes policy. When we examine this we see it is nothing more than economic talk without social consequences, just as we have seen in the task force report on agriculture. That task force report has become the gospel of the Department of Agriculture, and the minister and the officials are the disciples. What is needed, as I have already suggested, is the development of an incomes policy for the farmers of Canada.

In this connection I need only refer to the brief which the Canadian Federation of Agriculture submitted when it met with the Prime Minister (Mr. Trudeau) and the Minister of Agriculture, as follows:

We meet with you today following a year when the farmers' realized income fell to a new, disastrous low—the lowest in dollar terms for as long as comparisons make any sense; in real terms to 73 per cent of what it was ten years previously. The forecast for 1972, which we sincerely hope events will disprove, signals a further decline. The cost price squeeze has achieved a new, startling and damaging intensity.

This must be stopped. This is the clear message from grain producers, from livestock producers, from egg and poultry producers, from milk producers, from producers of horticultural products.

The brief went on to state something related to a farm income policy which the minister should take into consideration and that would be far more beneficial than his small farm consolidation plan. I quote:

Whereas it is necessary in the interests of the nation as a whole to maintain an efficient and viable agricultural industry;—

I might point out that one in five farms employing people who are not farmers depends on the primary products it gets from agriculture.

Whereas the revenues obtainable from the market place are currently insufficient for the survival of primary food or agricultural production;

Therefore it is imperative that supplementary income payments shall be paid by governments on all products which are necessarily required from the agricultural sector, in amounts when coupled

Farm Credit Act

with such revenues received from the markets, that will in total maintain solvency for the industry.

That is the kind of farm income policy that the government should be considering. I have already shown the kind of attitude that members of the government seem to have developed. They follow the charts up and down in terms of farmers and economically viable units, whereas if they had any real concern their attack on the problem should deal with the income of farmers and their costs of production. There are some alarming figures which indicate what has been happening. Other hon. members have referred to the amounts of arrears of farmers in the different provinces in respect of Farm Credit Corporation loans. In the province I represent, in 1971-72 the amount of those arrears totalled 21.1 per cent, up from 18.9 per cent in 1970-71, and from 11.6 per cent in 1969-70. Those are critical and telling figures respecting the income problems of farmers.

There are other telling figures which relate to clause 11 of this bill which will allow the minister and the Farm Credit Corporation to implement a small farm consolidation plan without incorporating it in legislation. The 1971 census of agriculture shows that the number of farms in 1971 was 15 per cent fewer than the number of farms in existence in 1966, a mere five years ago. In 1966 in the province of Saskatchewan there were 85,686 farms. In 1971, there were 76,970 farms, a downward variation of 10 per cent.

When the hon. member for Mackenzie (Mr. Korchinski) spoke on this bill he lambasted the provincial government of Saskatchewan for trying to tackle this problem, a problem which has not been tackled by the federal government. It is the first province in the Dominion of Canada which has gone so far as to suggest a land bank commission and a land transfer system to allow more young farmers to get on the land. Considering that, Mr. Speaker, we should not pay any attention to the nonsense the hon. member uttered. Further, the government of the province of Saskatchewan is the first government in Canada to be prepared to take into the whole problem of foreign ownership of farm land. Representing the constituency of Assiniboia, I well realize the problems in connection with farm land being bought up by American buyers. This brings me back to the amendment which was moved by the hon. member for Mackenzie.

I have already said that I am quite concerned about the manner in which a concept of performance standards, of some kind of means test for young farmers, is introduced by that amendment. For that reason I wish to move a subamendment, seconded by the hon. member for Battledford-Kindersley (Mr. Thomson) as follows:

That the amendment be amended by deleting therefrom the words "where young farmers meet performance standards," and by substituting therefor the words "for young farmers,"

If accepted, the amendment would then read:

That Bill C-5 be not now read a second time but that it be resolved that in the opinion of this House the government should give consideration to the introduction of legislation to amend the Farm Credit Act by incorporating the incentive principle—already approved by this House in other legislation—to provide for partial non-repayment of interest for young farmers, for deferred interest payments on all loans during an initial period, for equitable adjustment of interest rates for the benefit of borrowers; and, as